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The Money of the People

by W. H. Harvey,

author of "Coin's Financial School,"

and Senators Teller and Dubois, and Others.

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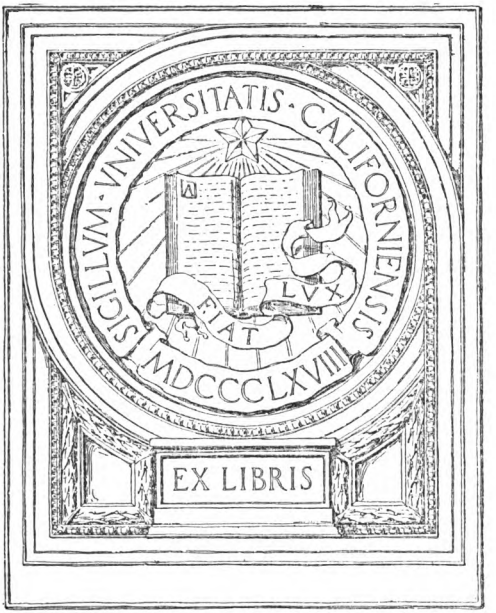

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THE

MONEY OF THE PEOPLE

BY W. H. HARVEY

AUTHOR OF "COIN'S FINANCIAL SCHOOL"

AND OTHERS

UNIV. OF CALIFORNIA

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PUBLISHER'S NOTE.

The articles in this volume are reprinted from the daily newspapers of Chicago. The first essay by Mr. Harvey is from the *Record*, as are the papers by Senators Voorhees, Dubois and Teller, President Andrews, Mr. Head and Mr. Darrow. The second and third articles by Mr. Harvey are reprinted from the *Inter Ocean*, and the last one from the *Tribune*. The History of Gold and Silver, in the appendix, is adapted from matter contained in a book entitled "Universal Bimetallism," by R. P. Rothwell.

Readers of this book who are impressed by the arguments in favor of free coinage of silver should read "Sound Money," by J. A. Fraser, Jr., and C. H. Sergel, which gives a complete answer to those arguments, and exposes their fallacies and false statistics. "Sound Money" will be sent post paid on receipt of twenty-five cents.

CHARLES H. SERGEL CO.,
358 Dearborn St.,
Chicago.

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THE PEOPLE'S MONEY.

By W. H. HARVEY,

AUTHOR OF "COIN'S FINANCIAL SCHOOL."

There never was so much misunderstanding and ignorance among the American people—the better classes—on any public question as there is and has been on this subject of silver. For instance:

Six months ago the general impression among the people was that silver was demonetized because it was so plentiful. Last summer the statement was made in more than one metropolitan paper in this city that silver "has become so plentiful it has ceased to be a precious metal." The facts were that the world's production of gold in 1873 (the year silver was demonetized) was $96,200,000, and the world's production of silver was $81,800,000 (less silver than gold); 1874, gold $90,700,000, silver $71,500,000 (again less silver than gold), with the same result for many years following, viz., an under production of silver as compared with gold.

In the last few years by "statistics produced at Washington" the world's production of silver has been greater than that of gold, and yet there has only been all told for the last 21 years 8 per cent. over-production of silver over gold in coinage prices.

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THE BATTLE AGAINST PREJUDICE.

Those believing in the restoration of silver (the people's money) recently assumed the aggressive, and have since then been driving the gold-standard men from one false position to another.

In the meantime, however, much prejudice has been aroused among otherwise patriotic men against the advocates of a sound bi-metallic currency. This prejudice is to be accounted for by reason of such men having been led astray by misinformation and supposed facts that they accepted as truths.

It would be amusing were it not fraught with peril to the country, to see how the other side straddles, prevaricates and jumps from one position to another. All this is made possible by reason of the question having been regarded by the people as obscure. But the United States is now a big school room; the people are studying this subject, and they are going to get at the facts, and they are going to hold responsible the men whom they find have deceived them.

A GREAT NATION'S INDEPENDENCE.

They are going to find out another thing:

It is, that we are financially independent of Europe. Our forefathers sought to erect a government here that would be free from the class legislation of governments that we justly term plutocracies. Over there the many are the slaves of the

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few who rob them by legislation. We had expected to be free of that here. It is now claimed that we are perforce compelled to adopt and maintain the financial legislation of Europe, the worse form of *class legislation* that was ever intended to enslave a free people. There is no such a thing as an international money. The biggest business we ever did with Europe was at a time when they had one thing for money and we had another—1862 to 1870. Balancies with foreign countries are settled in the metals by weight at their commercial value. Bars of the metal are principally used. Four per cent. of the business of the United States is foreign, and 96 per cent is domestic. What we want is a money adapted to the 96 per cent.

What the people need now is education. Partisanism must be thrown aside. Let it be country first, with a desire for intelligent and patriotic solution. What we want is a sufficient quantity of *primary* or *redemption* money on which to transact the business of this country, and we want to free it as nearly as possible from all influences that tend to its being hoarded and embarrassed as a measure of values and a medium of exchange.

DRIVEN TO THE GOLD STANDARD.

The campaign is now on, and we are driving these men who have wrecked this country to the position they have intended all along to occupy—

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the English gold-standard policy. They have for 21 years cheated and deceived the people by stating things to be facts which were not facts; by controlling and wording the platforms of political parties that promised the restoration of silver, and by asking the people to wait for an international agreement. Now comes Mr. William C. Cornwell, president of the New York State Bankers' Association, who, speaking for his side of this question, in an address to the bankers of Chicago, says:

"It is time to tear off disguise. International bimetallism is a traitor in the camp. It is a false fraud. It can never be accomplished. It is a 'will o' the wisp' dancing above the deadly marsh. It is as illusive as a dream of magic, as idle as the pursuit of perpetual motion, as dangerous as the delirium of fiat money."

He admits, what the wise have all along known, that they were masquerading in disguise. That they have been leading the people for the last 21 years by fraudulent practices. That they have thus far won by disguise. He now thinks it is time to throw that "disguise" off and stand out in the open and fight for a single gold standard, what they have intended to do through all these years of shambling and miserable deception.

His speech was loudly applauded.

And again he says:

"If, in 1875, 1876, 1877 and 1878, the bankers and sound-money men had been organized as they are organ-

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ized now, and had spoken out as they are speaking out now, had started on a campaign of education as they are starting out now, the greenback would long ago have been wiped out, the silver lunacy, before it had wrought incalculable damage, would have been confined to the asylums, where it belongs."

And they are organized, are they? We knew it, but thanks for this blast upon his horn that will assist in awakening the people.

The question now is: Shall it be an English policy or an American policy?

A CHOICE OF POLICIES.

These men are seeking to rivet upon us the gold policy of England, with nothing but gold to be the primary money of this country. They have by their gold policy got us in debt to England to an amount that requires over $200,000,000 in interest to be paid annually in gold, to pay which all our balance of trade is consumed; all our annual gold production (about $40,000,000) and our surplus stock of gold is being drawn on for the deficiency. Their policy has driven the administration to go to the pawn-brokers of England to get gold to sustain this great government, and this is the system these men have organized to fasten perpetually on this country. Why do they take such an active interest? It is because it promotes their selfish interests. If Andrew Jackson were alive and president this policy would be suddenly re-

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versed and every American heart would beat with responsive pride.

WHY WAS SILVER DEMONETIZED?

"Why," you ask them, "was silver demonetized in 1873?"

"Because," they now answer, "it was at a premium over gold of 2 per cent. and it had gone out of circulation."

"Where did it go?" you ask.

"To Europe," they reply, "where the bullion in a silver dollar was worth $1.02 as measured in gold."

When you answer this that "the United States produced about $35,000,000 of silver in 1873 at coinage prices," and ask: "What objection is there to settling our foreign balance with silver at 2 per cent. premium instead of 50 per cent. discount as now?" they say it is not bimetallism unless the two metals stay at the exact parity of 16 to 1.

These men do not know what bimetallism is. It may be desirable to let one metal go as it would be now. With both as primary money we have bimetallism and bimetallic prices, whether one metal has a tendency to leave us more than the other or not. And if desirable to stop its leaving a change in the ratio will do it, and if necessary can do it so as to set the other metal going. So that we can feed Europe either metal we may choose.

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SOME SAMPLE GOLD ARGUMENTS.

Here is a sample of astute arguments running through the minds of metropolitan editors:

"Silver never was the *unit*, as was claimed for it, and one of the best evidences of it is that so little importance was attached to it that only 8,000,000 of these silver dollars were coined prior to 1873."

Show him the act of 1873 making gold the *unit* and ask him "How many gold dollars have been coined since then, if the number coined is any evidence of the law fixing the *unit?*" and if he is an intelligent editor and speaks his mind he will tell you that he is hired to write editorials on a subject he knows nothing about or does not believe in, or that cold, calculating capital sets the policy of the paper.

The fact is that less than half a million dollars in one dollar gold coins have been coined since 1873, and those have been found impracticable and have gone out of circulation, and by an act of September 26, 1890, their further coinage is prohibited.

They will tell you that Mr. Jefferson stopped the coinage of silver dollars for thirty-four years, but at the same time will conceal from you the fact that between 1792 and 1840 there was twice as many dollars' worth of silver coined as there was gold coined, and that the mints were open to the

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free and unlimited coinage of both metals, and both were full legal tender in the payment of all debts.

FREE GOLD AND FREE SILVER.

They will tell you that the "free-silver" men are in favor of silver monometallism. And this by a great many people is believed.

This misconception arises from the reason that we are trying to restore silver—to give it free and unlimited coinage—the position it once occupied. It seems that many people do not understand that gold now has, as it has always had, feee and unlimited coinage. So, that in trying to restore silver we use the term "free silver," but we are no less in favor of "free gold." We are bimetallists, believing in the free coinage of both metals.

The fifty-cent silver dollar delusion has probably deceived more people than any one fallacy connected with this subject. But it will not deceive them much longer. We have literature among the people that makes this so plain that even the schoolboys can understand it. It will soon be a delusion no longer. If gold had been demonetized and the mints closed to its free and unlimited coinage and the work of redemption money thrown entirely on silver by the same nations, we would have had fifty-cent gold dollars as measured in silver, just as we now have fifty-cent silver dollars as measured in gold.

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WHAT OF THE OWNERS OF BULLION?

They say that the silver-bullion owners are making this fight for silver. What about the gold-bullion owners whose metal is favored? But it is not true. No man stands in a position to know this better than I do. The silver-bullion owners are doing nothing to assist in this fight, and are giving no financial assistance. This is a question of adopting suitable property for use as money irrespective of who owns the property or who may dig it out of the ground. I would a thousand times rather, however, benefit one section of my country and its people than cater to the interest of England, whose gold is so dear, and to get which we are giving up our property at a sacrifice and adopting a method that will bring national bankruptcy.

LET EVERY MAN STUDY FOR HIMSELF.

I advise the people to take no one's word for the facts in this national controversy, and to send to Washington for the following books and documents:

1. A copy of the currency laws. If they send you a copy that leaves out part of the sections in the act of 1873 write back for a full copy of that act.

2. The statistical abstract.

3. The report of the currency laws and other information revised to August 1, 1874.

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4. A copy of the report of the monetary commission of 1876.

5. A copy of the report of the monetary conference of 1878.

THE MOMENTOUS STRUGGLE.

The welfare and happiness of the people—the masses—the common people—are now at stake in the most momentous political struggle that has ever risen in America, and it will be fought on the side of the gold power with all the fierceness and viciousness that has ever characterized greed and selfishness. The people must be firm. That bravery inspired by manhood and patriotism must nerve them to stand as a stone wall against these pirates of commerce who have no remedy to offer except the terrible experience of the past.

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AN OPEN LETTER TO PRESIDENT CLEVELAND.

By W. H. HARVEY,

AUTHOR OF "COIN'S FINANCIAL SCHOOL."

CHICAGO, April 15—To His Excellency, Grover Cleveland, President, Washington, D. C.—Dear Sir: In reply to your letter addressed to a committee of business men of this city we wish to say that the committee that waited on you and the persons who attached their names to the invitation such committee presented did not represent a majority of the business men and citizens of this city, who take a deep interest in the welfare of this republic. They represented that class that owns money and securities payable in money—fixed incomes.

We respectfully submit that your letter does not present the true merits of this controversy. You call the attention of farmers and wage-earners to the fact that rising prices, while enabling them to sell their products and labor at a higher price, will also cause them to pay equally more for what they may purchase, but you neglect to say that your statement is not applicable to debts. With prices coming down regularly and steadily since the demonetization of silver, our merchants,

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manufacturers, and the people generally have been doing business on a falling market, so that the time intervening between the purchase of their merchandise or raw material and placing it months after on the market has removed the margin they would have otherwise made. This shrinkage in value, added to the ordinary risk and expense of business, has led to an ever-increasing volume of debt—to a money-lending period—until it has increased, all told, public and private, to about forty billions of dollars, or about two-thirds of the total value of all the property in the United States.

DEBT-PAYING POWER OF COMMODITIES.

Money and those debts payable in money have been steadily increasing in exchangeable value with the property of the people. A debt for $1,000 that 1,000 bushels of wheat would have paid ten years ago now requires the farmer to give 2,000 bushels of wheat in exchange for these dollars with which to pay the same debt. The debts now in existence are principally old debts, or renewed or refunded debts, or new debts contracted to pay old debts, or debts the people have been forced to contract by reason of the continued decline in prices. The owners of products must now give up twice as much property to pay their taxes as in 1873. Seventeen thousand bushels of wheat would have paid the President's salary of $25,000 in 1873, and

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it now requires 100,000 bushels of wheat to pay your annual salary of $50,000.

Taxes have increased as expressed in dollars, and have doubled and quadrupled as measured in the property the people surrender with which to pay it since 1873. We have constantly pointed the people to the ever-increasing exchangeable value of the creditors' dollar, and to the reason why it was increased, but the influence of these creditors has dominated your administration, and you insist on such a currency as they have established as a sound currency. It means the confiscation of the property of the people by the sale of property under mortgages, judgments, and executions. It means that fixed incomes will wipe out the interest of stockholders in our railways and corporations.

If it is an injustice to restore prices so that people can exchange their property for a sufficient number of dollars to pay their debts and bring happiness and prosperity to our land, then it was a greater injustice to destroy the value of property and enhance the value of money by demonetization of silver and the establishment of a single gold standard.

WHAT WILL THE POLICY LEAD TO?

So that when you call the attention of the farmer and wage-earner to the fact that rising prices will make him pay more for what he buys

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you should at the same time call his attention to the fact that it would enable him to pay his debt, free him from a bondage in which he has been unjustly placed, and again make him the owner of a home and a free and independent citizen. We might say further to him, that rising prices cause money to seek investment and would thus open up the channels of commerce and trade, and give employment to millions now idle. It is not more money that we want to borrow, but to pay off what we already owe. The more we borrow the more we must pay, and the annual interest on all other public and private debts is now more than the annual profits of business and production. Where will it end?

Our forefathers fled from Europe and established a government so that they might be free from the class legislation of those nations where the masses are hewers of wood and drawers of water for the rich and few who control the law-making power, countries that we justly term plutocracies, and yet it is now being seriously insisted upon that we must adopt and continue the most pernicious class legislation that the monarchies of Europe have ever fostered upon their helpless people. By adopting their policy we have increased the demand for gold and its exchangeable value, and of money based thereon, with all other property. We have aided them in the adoption of a single metal for

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primary money that they can control and corner—that they have cornered—and forced you to go to them to get it at their own price, to sustain the credit of this great and resourceful Nation. We submit that this policy should be abandoned, and our mints again thrown open to silver (as they are now to gold) and our stock of primary money increased thereby.

TRULY TIME FOR THE PEOPLE TO REASON.

The gentlemen who visited you and who petitioned you represent only one class of our people. We respectfully submit that it was the intention of the founders of this government that it was safer that all the people should do the thinking for it, than any one class should do it for them. Selfish interests predominate to promote selfish interest when one class does the thinking for all. Broad views to justly promote the common welfare can best be secured by a census of the views of all the people.

We agree with you that it is time for the people to reason together, and to that end we respectfully ask that you make it possible for them to get printed copies of the act of 1792, on which our forefathers based our financial system and all subsequent acts, together with the act of 1873 that reversed the former policy and acts subsequent thereto, as well as all statistical and other information of an official

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nature at Washington bearing thereon. We but express your own opinion as President of the people when we say that all the people should have the opportunity to investigate and intelligently pass upon this question. Respectfully,

W. H. HARVEY,
Chairman Bimetallic Executive Committee.

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SILVER THE UNIT OF VALUE.

By W. H. HARVEY,

AUTHOR OF "COIN'S FINANCIAL SCHOOL."

Chicago, April 24.—In this morning's *Times-Herald* appears an editorial attack on the first chapter in 'Coin's Financial School,' in which the impression is intended to be conveyed that the financial law adopted in 1792 by the United States Congress did not fix the unit on silver, but did fix it on gold. The *Times-Herald* is wrong and the book is right. My quarrel with the *Times-Herald* is that it does not state the proposition or the authorities fairly, and draws conclusions which will not bear investigation for a moment. The substance of the discussion that led up to the fixing of the unit may be found in the state papers of that period, the principal ones of which may be found in the report of the international monetary conference of 1878, and consists of the following documents:

"1. Mr. Jefferson's notes on the establishment of a money unit and of a coinage for the United States.

"2. Report of a grand committee on the money unit.

"3. The coinage system proposed to Congress April 8, 1786, by Samuel Osgood and Walter Livingston, who constituted the Board of Treasury.

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"4. The resolutions on coinage of August 8, 1786.

"5. Report of Alexander Hamilton on the establishment of a mint.

"6. Miscellaneous documents."

From these you will see that Mr. Jefferson, on page 438, advises the following coins:

"1. A golden piece equal in value to $10.

"2. The unit or dollar itself of silver.

"3. The tenth of a dollar of silver also.

"4. The hundredth of a dollar of copper."

The above is his exact language. Further on Mr. Jefferson says:

WHY THE DOLLAR WAS CHOSEN.

"The unit or dollar is a known coin, and the most familiar of all to the mind of the people. It is already adopted from South to North, has identified our currency, and therefore happily offers itself as a unit already introduced. Our public debt, our requisitions and their apportionments, have given it actual and long possession of the place of unit. The course of our commerce, too, will bring us more of this than any other foreign coin, and therefore renders it more worthy of attention."

Further on he says:

"If we determine that a dollar shall be our unit, we must then say with precision what a dollar is."

And then again, on page 442, he says:

"The quantity of fine silver which shall constitute the unit being settled, and the proportion of the value of gold to that of silver, a table should be formed from the assay before suggested, classing the several foreign coins according to their fineness."

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And again, on page 443, he recommends that a committee be appointed:

"To prepare an ordinance for establishing the unit of money within these States; for subdividing it and for striking coins of gold, silver and copper on the following principles:

"That the money unit of these States shall be equal in value to the Spanish milled dollar, containing so much fine silver as the assay before directed shall show to be contained on an average in dollars of the several dates circulating with us.

"That this unit shall be divided into tenths and hundredths."

In the report of the grand committee on the money unit that fixed the silver dollar as the unit we find, on page 447, the following:

"The quantity of pure silver being fixed that is to be in the unit or dollar, and the relation between silver and gold being fixed, all the other weights must follow."

On page 449 we find the following:

"On the 8th of April, 1786, the Board of Treasury directed to the President of Congress their report on certain principles for establishing a mint, accompanied by a letter to the President of Congress. The report was in triplicate, and contained, as will be seen below, three distinct schemes, each of which was set forth in the report with great particularity. * * * Each of these reports proposed a silver dollar as the unit."

ALEXANDER HAMILTON'S VIEW.

The opposite view of the question was presented by Alexander Hamilton, and his report is in

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the book referred to and now before me with the other documents above referred to. On page 456 he says:

"But if the dollar should, notwithstanding, be supposed to have the best title to being considered as the present unit in the coins, it would remain to determine what kind of dollar ought to be understood; or, in other words, what precise quantity of fine silver."

On page 458 he again says:

"The next inquiry toward a right determination of what ought to be the future money unit of the United States turns upon these questions: Whether it ought to be peculiarly attached to either of the metals in preference to the other or not; and if to either, to which of them."

On page 479 Mr. Hamilton recapitulates and advises as follows:

"One gold piece equal in weight and value to ten units or dollars.

"One gold piece equal to a tenth part of the former, and which shall be a unit or dollar.

"One silver piece which shall also be a unit or dollar.

"One silver piece which shall be in weight and value a tenth part of the silver unit or dollar."

Mr. Jefferson at one time came very near yielding to the arguments of Mr. Hamilton, but the whole matter went into the American Congress at its first session, and out of the recommendation and discussions that had been had, the result was the enactment of the law of 1792, and section 9 of that

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act is the one that settled this question. It is as follows:

"And be it further enacted that there shall be from time to time struck and coined at the said mint, coins of gold, silver and copper, of the following denominations, values, and descriptions, viz:

"Eagles—Each to be of the value of ten dollars or units, and to contain 247½ grains of pure, or 270 grains of standard gold.

"Half Eagles—Each to be of the value of $5, and to contain 123¾ grains of pure, or 135 grains of standard gold.

"Quarter Eagles—Each to be of the value of $2.50, and to contain sixty-one and seven-eighths grains of pure, or sixty-seven and four-eighths grains of standard gold.

"Dollars or Units—Each to be of the value of a Spanish milled dollar, as the same is now current, and to contain 371 4/16 grains of pure, or 416 grains of standard silver.

Half Dollars—Each to be of Half the value of the dollar or unit, and to contain 185 10/16 grains of pure, or 208 grains of standard silver.

"Quarter Dollars—Each to be of one-fourth the value of the dollar or unit, and to contain ninety-two and thirteen-sixteenths grains of pure, or 104 grains of standard silver."

This section closes by fixing the sizes of the minor coins.

WAS THE LAW TILL 1873.

It will thus be seen that the unit was settled on silver and remained the law until 1873, when it was changed to read as follows:

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"That the gold coins of the United states shall be a one-dollar piece, which at the standard weight of $25\frac{8}{10}$ grains shall be the unit of value."

The mints were then closed to the free and unlimited coinage of silver, and a fierce and hostile attitude has been assumed toward it since that time. Thus, it will be seen that in fixing the unit originally the advice of Hamilton was rejected and that of Jefferson was adopted, and while that was the law it was as impossible for the silver in a silver dollar to be worth less than a dollar as a bushel of wheat to be less than a bushel. It will be observed that Hamilton's suggestion of two units, a gold and a silver unit, was not adopted, and Jefferson's position was adopted of a unit fixed on silver only. Jefferson's plan contemplated a change in the commercial ratio of the metal in the two coins with the intention of changing the size of the gold coins if it should occur, and this change did occur twice afterward, and each time the change was made in the gold coins.

While the old law was in existence—1792 to 1873—the mints were open to the free and unlimited coinage of both metals, but with the act of 1873, abolishing the silver unit and substituting the gold unit, the mints were closed to silver and left open to gold alone.

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THE MONEY OF THE CONSTITUTION.

By SENATOR VOORHEES.

I do not regret the agitation of the silver question. Sooner or later it had to be definitely settled whether the labor-producing people of this country can be bullied out of one-half of their debt-paying money, or whether they will stand up like free men and protect and defend the money named and provided in the constitution—gold and silver, or both —not one of the precious metals alone, but both, and on terms and conditions as to coinage and use of absolute equality. That is the question immediately before us, and no better time than now will ever be found for its settlement.

No greater national question is, at this time, in the way of a full, free, fair discussion of money, currency, precious metals, rations, standards of values, units of account and payment, and the bearings all these have on the general welfare of the great body of the American people. The silver question itself is plainer to view and less obscured by the craft of its enemies than at any time since the assassination of silver money took place in 1873. There are no legislative switches now in existence to lead the people away from the main track. No

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cowardly makeshifts, or insincere shams can any longer darken discussion or betray honest counsels.

The Sherman act, which was conceived in rancorous hostility to silver and brought forth into law by an iniquitous betrayal of silver's free coinage, has been buried in an unhonored grave, over which no lament will ever be heard.

SPURNS DICTATION FROM ENGLAND.

I have never been willing to admit that our system of currency should be dictated by England and other foreign countries, and I repel that idea now.

The real and vital issue now presented to the American people is the proposed elimination of silver from our currency, its total overthrow and destruction as a money metal and the use of gold alone. This is what is now meant by the movement against the free coinage of silver, whatever disclaimers may be made to the contrary. This movement means the destruction of one-half of the debt-paying money of the United States and of the world. If it should be successful it will double the burdens on every debtor and multiply the gains and income of every creditor wherever the sun shines.

The debts of the American people at this time, both public and private, are appalling in amount. They have been contracted on a bimetallic basis,

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and it is now proposed to make them payable on the basis of gold alone. The two metals also constitute the specie basis for such paper currency as may be put in circulation. If silver money is destroyed, paper circulation must be contracted in that proportion. Every form and kind of money must become that much scarcer and harder to get in exchange for labor and the products of labor. Such a policy is to my mind simply horrible.

SILVER SURE TO BE RESTORED.

I have not a particle of doubt as to the result of the contest now going on. The enemies of silver will be driven to the wall. Silver money will not only survive, but it will be fully restored to its old place as a leading and controlling factor in the development and the progress of the country. Nor have I any fear for the future strength and harmony of the democratic party. Some men may discard its principles and abandon its organization, but others will take their places. I have been in favor of the free coinage of silver at the ratio fixed by Jefferson all my life, and, whatever others may do, I shall hereafter neither abandon my principles nor my party.

I am not unmindful of the vague cry now raised about "sound money, honest money," and it causes me to glance back over the career of silver in American history. I discover that Washington,

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Jefferson, Hamilton, Madison, John Marshall and Monroe indorsed silver money as sound and honest, and that the same views were entertained throughout the most important epochs of our country's trials, growth and glory by Jackson, Clay, Webster, Calhoun, Silas Wright, Marcy, Horatio Seymour, Benton, Chase, Douglas, Hendricks, Morton and Abraham Lincoln.

The truth is that danger from the coinage and use of silver as money in this country never occurred to a sane mind until greed, avarice, unholy speculation reared its serpent head and aimed a vicious, deadly blow at the honored dollar of the fathers in 1873. Since that time we have had nothing but financial vexation, distrust, business depression, and ruinous panics. The five years which immediately followed the demonetization of silver in 1873 were freighted with more calamity and suffering on the part of laboring and producing people than was ever before known in this continent in its life time. A wave of confiscation swept over the country, annihilating values, depriving labor of its reward, destroying all market prices for property except such as were bid at sheriffs' sales. Nor did this wretched condition of affairs show any signs of improvement until the partial restoration of silver to its money functions took place in 1878.

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HAS NOBLY WITHSTOOD ATTACKS.

If I am told on this question that silver bullion as a marketable commodity at this time commands a low price, my answer is that if gold had been conspired against, persistently assailed by foul means as well as fair, stabbed in the dark and in the daylight, and in the back, and under the fifth rib, and wherever else a dagger could be planted for nearly a quarter of a century past, it would be in a far worse crippled condition than silver. No other form of money on the face of the earth could have withstood as silver has done, such a malignant, unsparing crusade as the last twenty-two years have witnessed in this country. It still holds its place in the affections and confidence of the people. Battered, bruised, and tattered as it has been, yet it will buy today all that gold will buy and pay all the debts that gold will pay, unless a special contract has been made for gold. The American people will never give up, and the sooner the minions of aggressive, insolent, consolidated wealth and the arrogant apostles of gold monometallism realize and act upon this fact, the better and safer it will be for them in the future of this country.

In every State and Territory, from the western side of the Allegheny mountains to the Pacific coast, silver has been known and indorsed to people

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for three-quarters of a century, not merely as sound money, not merely as honest money, but as land office money besides. With it their homes were bought and paid for, and not much patience now remains with them or their descendents for those who stand and stigmatize the great white metal which has done its work so well.

The need of the white metal in the hands of the people is even greater now than ever before. There is scarcely a speck of gold in sight of the laboring classes. In round numbers there are nearly four thousand millions of gold money in the world and about the same amount of silver. With silver demonetized the plain people, the wage workers and those who raise and sell the produce of the soil will handle specie money no more forever, and will catch even a glimpse of it but seldom. Gold will be hoarded and hid away in the vaults of the great magnates of wealth and the people in their business will be put on the half rations of paper money to which the shrinkage and contraction from a basis of bimetallism to a basis of monometallism will reduce them.

TIME HAS COME FOR PLAIN SPEECH.

I wish to impugn the motives of no one and to avoid hard words in discussion as far as possible, but the time has come when speech, though temperate, should be very plain. Party platforms from

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this time forward will not be framed to cheat on this subject, whatever may have been done heretofore. No dubious phraseology or straddling planks on the question of silver will be tolerated in the next national conventions that are to take place in this country. Words will mean what they say, and men will be nominated whose lives and records will constitute a guaranty that the principles declared will be carried out. Nor are the people to be imposed on any further by the ominous air with which the money lords and money lenders prate about the terrors and disasters of being put on a silver basis by the free coinage of silver.

If the free and unlimited coinage of silver as full legal tender money, and as a standard of values, and the unit of account and payment, without a word of international agreement on the subject, will put this country on a silver basis, then we were on such a basis every day and hour from the passage of the first coinage act in April, 1792, until the demonetization act of February, 1873, a period of eighty-one years, during which we rose from weakness to the foremost rank among the nations of the earth. I commend to all croakers in regard to a silver basis, a careful reading of the act of April 2, 1792, formulated by Hamilton and Jefferson and approved by Washington.

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SHALL THE UNITED STATES ATTEMPT THE FREE COINAGE OF SILVER ALONE?

By E. BENJAMIN ANDREWS,

PRESIDENT OF BROWN UNIVERSITY.

I yield to no man in the United States in the sincerity of my desire to have silver reinstated in its old office as full money. The evils which have sprung from its loss of this character are not usually exaggerated in the west or anywhere. In fact they can hardly be exaggerated. The question is whether, in planning to secure the rehabilitation of silver, it is best for the United States to proceed alone, irrespective of the acts and policy of other nations, or to wait a reasonable time longer in hope of securing the co-operation of a number of the great countries of Europe.

For my part I believe in the latter policy, and should deprecate an effort at the present time on the part of the United States alone to accomplish so enormous a task. In saying this I am fully aware that many of the ablest monetary students in the world are of opinion that the United States could, without any help from other lands, resume the free and unrestricted coinage of the white metal without driving gold out of the country or

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out of circulation. Henry Hucks Gibbs believes this. So does Sir Guilford L. Molesworth. So does Moreton Frewen. There are many of our own countrymen who hold the same, and that without being, I believe, influenced in their thought by any selfish consideration whatever. Could I only believe with these eminent gentlemen I should be as hearty as any man in all the West in wishing our country alone, without waiting a day, to take up the cause of silver. But I cannot possibly view the matter as they do. I am, on the contrary, forded to agree with Prof. Foxwell, that no nation on earth, however great, can, after what has passed, perform this vast work single-handed.

THE POWER OF PREJUDICE.

The argument from the success of free coinage in France between 1803 and 1873, strong as it is, is not sufficient to convince me, seeing the whole situation, that we could now do what France then did. Rightly or wrongly—I believe wrongly—a hostility toward silver exists which never had place during the period named. This has to be reckoned with. Foolish, baseless and illogical as it is, it is a fact, in face of which it behooves any nation proposing the free use of silver to plan its measures with the utmost care. I have been declaring right and left for years that there is no great supply of silver above ground except what is owned by the

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United States; but my neighbors do not believe this. Nearly every man I talk with in the east supposes that opening our mints to silver would mean a perfect deluge of silver dollars within a month. A folly will not down at your bidding, and a dangerous opinion is no less dangerous for being folly instead of wisdom. This sentiment against silver intensifies a rush and strife for gold which would be hard enough to deal with in any event.

All the gold nations and all the great banks in them are lurking for chances to stock up with gold. This procedure is not the usual provision of gold for the normal purpose of insuring note redemption, but, from a strictly economic point of view, is entirely morbid. The process, in fact, shows all the signs of vicious hoarding. The motive of it is largely military, but even where no such thought prevails the laying away of gold goes on from considerations equally uneconomic and unusual. Moreover, this hoarding bids fair to increase, not diminish. The new output of gold seems not to check it at all. Give the gold nations the slightest opportunity to get away our gold and they are certain to try it. They are under a new pressure to such effort—a pressure which has never existed till recently. This pressure many of their best people regret, and a number of the nations would gladly

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secure relief from it by a general system of bimetallism, but if we go forward the moneyed classes there who almost alone control the press will certainly seize the chance to cry down silver still more, frightening American gold-holders to hide or sell their gold, for which Europe will then make a market.

RISKS OF FREE SILVER COINAGE.

It should also be remarked that nations like Austria and Russia, wishing to get upon a hard-money basis, who would gladly join in a general scheme of bimetallism if a chance were offered, must choose gold as their basis if, and so long as, Europe as a whole continues upon this basis. And they would be likely to make final their gold policy the moment they heard that we were taking up silver. Japan, with a vast war indemnity, much of it gold, might, perhaps, strike into the same line of policy, making the retention of gold by us more difficult still. These considerations do not, I admit, absolutely prove that free coinage by us would drive out gold, but is it not clear that they make such a proceeding exceedingly risky? It seems to me altogether likely, almost certain, that gold would be forced from us, and that we should be driven after a time to a financial basis much like that of Mexico at present. I say "much like that of Mexico," instead of "*just* like that of Mexico,"

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because it is certain that the adoption of silver as ultimate money by this immense country would a good deal elevate the gold price of silver. Still, if gold leaves us, our monetary basis will, of course, be silver, however much value the bullion in a silver dollar may then have beyond what it has at present.

But, some will interject, what, suppose gold does leave us? What harm would come if we were to go over to a silver basis? Why wait for other nations? Are we not strong enough to have a monetary policy of our own? Is it not weak and unpatriotic to postpone action until rival nations please to do what we desire, when we have no power to influence their action? I reply that it is not weak or unpatriotic to do what is best for our country. I would not wait for other countries in order to please them if we were in the long run to suffer thereby. The question is: What is the best on the whole for the people of this United States? Is it best for us by ourselves to proceed freely to coin silver so long as there is good hope that within a reasonable time international free coinage may be brought about, making the restoration of silver easy and absolutely safe for all? I think not.

EFFECTS OF THE EXPULSION OF GOLD.

If we take up the metal alone, and that course results, as I should anticipate, in the expulsion of

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gold, we shall have in the first place a financial crisis worse than any ever suffered in the country. This because we cannot in a long time, even by working our mints day and night, coin silver enough to take the place which would be vacated by gold. Prices would sorely fall. Immense numbers of failures would occur. Laborers would be thrown out of work. Altogether a dreadful paroxysm in our business would be precipitated. Slowly the gap left by gold would be filled by the mining and coinage of silver. Prices would then gradually rise. At last they would become higher than now, more and more approaching the Mexican and Japanese level. Some advantages would doubtless spring from this elevation of prices, but it is a mistake to suppose that it would redress the iniquity caused by the fall of prices since 1873, because the rise and the fall would in the overwhelming majority of cases not apply to the same parties. In most instances the very men who have profited by the fall would manage to profit again by the rise. Moreover, wages would rise more slowly than values at large.

But a consequence far worse than any of these would be that our passage to a silver basis would erect against foreign exchange between Europe and the United States just such a barrier as now exists between Europe and Mexico. It would annihilate

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all fixed par between New York and London, repeating the terrible inconvenience in our European exchanges which we suffered in war times, when we were upon a paper basis. The damage that this order of things would effect, it seems to me, the friends of national free coinage have not sufficiently considered. I take it that it would work very much like a prohibitive tariff against European manufacturers and in favor of American manufacturers.

MANUFACTURES AND FARM PRODUCE.

I can understand how American manufacturers might wish such a system to prevail, for it would assure to them the American market far more decisively than did the McKinley act, at the same time enabling them to export to Europe lines of goods which have never yet crossed the Atlantic in that direction. This would be possible because wages here would not rise so rapidly as would general values. It is one of the anomalies of the silver controversy that our manufacturers nearly all oppose national free coinage, which would give them higher protection and an immensely larger market than they can ever obtain otherwise.

But it would certainly not be well for the agricultural sections of the country thus to be cut off from Europe. Europe is the only great outlet for our agricultural produce and any diminution of the

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European market for this produce must deleteriously affect the entire farming population of our land—a fate for which no prosperity of our manufacturing classes could atone.

THE MARKET OF THE SILVER COUNTRIES.

Silver money, below gold par, would indeed tend to spur our agricultural exportation, too, as in Argentina and other paper-money countries, which send untold amounts of their produce to London in spite of the crazy exchanges. Still, supposing Europe on a gold basis and the United States on a silver basis below the gold par, American agriculture cannot compete in Europe with that of paper countries, because these can cheapen their paper afresh whenever necessary to renew their advantage. This species of advantage might, to be sure, remain theirs even if Europe should adopt bimetallism, but in that case those states would, in all probability, soon bring their paper to par, restoring to us all those natural advantages as an agricultural nation which the demonetization of silver has so largely rendered inoperative.

It will be said, I know, that our course in favor of silver would give us, as against England, the silver countries' market, and that England would be forced to follow us in the use of silver or else renounce its position as a manufacturer for the world. Should we take up silver this pressure

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would indeed be brought to bear upon England. It would be severe, too, and I think that it would, as stated, ultimately drive England to adopt silver. But that this result would come in any very near future is most unlikely. To see this one needs only to reflect upon England's slowness in becoming aware that there is a silver question at all. The degradation of silver has cost Great Britain billions of pounds sterling already; but the classes there who profit from the appreciation of gold have till within a few months been able so to control opinion as to make those wishing monetary reform appear to the public to be simply cranks and weak-minded. There is no knowing what years it might require for the competition of America with England in Japan, China and South America to bring England to join us in the use of silver.

BAD EFFECT OF INDEPENDENT ACTION.

The problem for this country would be very different if there were no hope of steps in the right direction by Europe within a short time. But, spite of all that our gold papers continually say to the contrary, such hope is bright; and it will grow brighter with the days unless the attitude of powerful bodies in this country leads Europeans again to think that we are going to attempt alone the solution of this perplexing problem. There is no doubt in my mind that the monetary policy of

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Mr. Cleveland, usually thought adverse to silver, and for aught I know meant to be so, has really been one of the principal causes awakening Europe to the necessity of doing something for silver. So long as European governments thought that we were on the verge of going to a silver basis they did nothing, and if they could today be assured that the United States would soon vote to espouse alone the cause of silver money they would at once relapse into their old apathy. Whatever his motive Mr. Cleveland has in the way indicated done very much to forward the ultimate restoration of silver.

Some will say that we cannot afford to wait for Europe any longer; that we must act at once and by ourselves. I reply that we cannot have a non-international free-coinage law during the next two years, anyway. No one supposes that such a law can be passed without or over Mr. Cleveland's veto. We must, therefore, wait these two years, whether we wish to or not.

Now, unless some very pronounced demonstration in favor of domestic free coinage is made in this country, then, before these two years shall have elapsed a number of the greatest states in Europe will be ready to join hands with us in this important cause, making its victory absolutely sure.

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UNLIMITED COINAGE OF SILVER.

By SENATOR F. T. DUBOIS.

It is very evident to the most casual and indifferent observer that the cause of silver is gaining ground every hour. This is apparent in Germany, England, and all the gold-standard countries of Europe, as well as in the United States. The most rapid progress and the crystallization of sentiment is more marked in the United States, to be sure. The reasons for the change of sentiment are easily understood. Distress and hard times are general throughout the world. There is a prevailing opinion among producers and wage earners that the era of falling prices and consequent depression in all lines of trade has been brought about by the adoption of the gold standard by the leading nations of the world. Nothing is of stable value now save good gold mines and gold money. There are not many of the former, and the owners of gold money as a rule do not live in the United States.

THE APPRECIATION OF GOLD.

The great majority of the people of this country understand, I think, that with gold as the sole standard of money that metal is appreciated, and all things which it measures in value are depreci-

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ated. It is boyish and unworthy of men who undertake to direct public sentiment to say that silver has not been demonetized. To say that silver is still in use, and in large quantities, in the United States, and that it is maintained on a parity with gold is a begging of the entire monetary question which is entirely unworthy of some distinguished gentlemen who have lately expressed themselves. There must be basic money. On this other moneys rest. There must be a money of ultimate redemption in order to insure absolutely safe currency. It is a serious question whether there is or can be enough of both gold and silver to supply this basic money. When both were used, prior to 1873, they seemed to answer the purpose, and remained at a ratio of about 15½ ounces of silver to 1 of gold. The prices of labor, of wheat, cotton, corn and other products were maintained.

When silver (which comprised one-half of the basic money) was demonetized, when it was no longer recognized as the equal of gold at the mints, but was made a commodity the same as coffee, it fell in value as compared with gold, until now it is as about thirty-two ounces of silver to one ounce of gold. The significant fact, however, that wheat and corn and cotton and the value of all other products, as well as the price of labor, has fallen with

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silver, is what creates the great demand for the restoration of silver as basic money.

TAKING THE INITIATIVE.

I have the greatest respect for many of the able silver advocates in the United States who do not see their way clear to unlimited coinage by our country acting alone. I myself can not see how we are to secure bimetallism unless the United States takes the initiative. England is a creditor nation. The gold standard makes money scarce and dear. This is to the advantage of England, and she will not consent to the addition of silver as redemption money unless she is compelled to. I have no hopes of any international agreement until after this government adopts free coinage. England and the other great nations of Europe will then be compelled to join us or lose their commercial supremacy.

The minute the United States adopts free coinage at the ratio 15½ or 16 to 1, the price of silver will be regulated throughout the world. No one who has given the subject serious thought, or who has any regard for his reputation as a student of finance, attempts to argue any longer that the restoration of silver by the United States acting independently would cause the country to be flooded with silver from foreign nations. This country could not be a "dumping ground" for silver for the

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simple reason that there is no nation which does not absolutely need all the silver which it has. There is no loose silver anywhere to come here. There will be no object in foreign countries sending silver here, even if they had it to spare, because it would be worth as much in each of the foreign countries as here, and they would lose by sending it here what the cost of transportation would amount to.

IF GOLD SHOULD LEAVE THE COUNTRY.

Some claim that with free coinage all the gold will leave this country. What if it does? Where will it go to? Admit for the sake of argument that it will go to England. The volume of the money in England will increase to that extent, with the result that the price of our products which we sell in England will be enhanced, and England will find it impossible to retain the gold.

It has been demonstrated clearly that gold cannot be retained in this country under the present condition of affairs. The government is absolutely at the mercy of any syndicate of rich bankers who desire to take it out of the treasury. All they have to do is to present the various forms of currency for redemption and our gold reserve of $100,000,000 melts away. The experience in this direction has been so recent that everyone can recall it. The government has issued over $100,000,000 of new bonds bearing interest in its desperate effort to

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maintain the gold reserve of $100,000,000. It might continue this operation and in that way supply the gold deficit, which is liable to occur at any moment, but these bonds with interest must be paid at some time. This process of borrowing gold with interest-bearing obligations cannot continue indefinitely.

PROGRAMME OF THE SILVER MEN.

The silver men in the country are very much in earnest. They number a great majority of the people, and will, I think, find a way to make their demands effective.

It looks to me as though both of the great national parties would declare for silver in 1896. In my judgment no party can win which endeavors to keep our government fastened to the single gold standard. If both of the leading national parties should be controlled by the gold standard advocates, neither of them could elect their candidate. An advocate of silver would then be nominated, either in the electoral college or by a separate national convention, and elected.

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SILVER IN THE ORIENT.

By SENATOR H. M. TELLER.

I like to do all the writing and talking possible on the silver issue, for I feel more than ever that it is a most momentous question, but I cannot always spare the time. I do more of this work than I should. The subject is so vast; it ramifies in so many directions and the arguments are so numerous that it requires care and thought to give in a single article a single phase of the subject.

The President's recent letter to Chicago was an appeal to the supporters of the gold standard to defend that system by proclaiming for it the merit of soundness, and to declare all other systems unsound, and the supporters of all others advocates of a debased currency. In his opinion I suppose we are advocates of an unsound currency. It is to be regretted that the president did not point out to us some of the advantages of the gold standard as well as the possible danger to the country if we return to the use of both gold and silver as such use existed in the United States prior to 1873.

THE WORLD'S FREE COINAGE UP TO 1873.

Up to that time practically the whole world had the benefit of the use of both silver and gold as

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money of ultimate redemption. England was on a gold basis and Germany on a silver basis, it is true, but the mints of France were open to both gold and silver, and England had the benefits of an open mint for silver in France but a short distance from England's commercial center, while Germany had the French mint for its gold. The Englishman desiring to put his silver into money could do so either by sending it over to the free-coinage mint in France or by sending it to Germany and exchanging it there upon a ratio of 15½ ounces of silver for an ounce of gold. The German having gold which he wished changed into money had but to send it to England to be coined or to France for exchange into French money. This was freely done and all the gold and silver not required for export from Europe was coined into money at some European mint. The United States mints were open to the coinage of both silver and gold at a ratio of a little less than 16 ounces of silver to 1 of gold, which ratio we speak of as 16 to 1.

While all the world was not on a bimetallic basis, all the world had the advantages and benefits conferred by that system, for England, France, the United States and others were ready to coin all the gold offered, and Germany, France, the United States and other countries were ready to coin all the silver offered, and this gave gold and silver bullion

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a money value equal at all times to the coin that could be made out of it. Then all countries by the system of commercial exchange had the full advantage of the bimetallic coinage.

MANUFACTORIES MAY GO TO ASIA.

Read history and tell me where there is anything to justify the President in supposing that a return to the conditions of finance existing prior to 1873 would be fraught with disaster. The countries that have abandoned the use of silver have not benefitted their financial condition, and the financial condition of the world to-day is much less satisfactory than it was for many years preceding 1873. Exchange has fluctuated to a greater degree since that year between silver using and gold using countries and now seriously threatens to transfer the manufactories of Europe and America to Asiatic countries.

I will state this as a proposition: If the gold price of silver falls in the gold-standard countries the price of exports from gold-standard countries to the silver-standard countries must either fall in the country where produced or rise in the country to which the exports are sent. Silver-using countries must pay more silver for imports from gold-standard countries or the manufacturers in gold-standard countries must reduce the selling price of their wares to meet the decline in the relative value of silver to gold. That is the situation presented

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the manufacturers to-day. Prior to 1873 fifteen and one-half ounces of silver were equivalent to one ounce of gold. Then the English exporter to Asia received that amount of silver, knowing that he could certainly convert it into gold without loss upon the stable ratio. It did not change by daily market fluctuations.

A STORY OF DECLINING PRICES.

Now, mark the change. To-day, according to the present price of silver, it takes something like thirty-one ounces of silver to secure by exchange an ounce of gold, instead of fifteen and one-half ounces, as was the case before 1873. If the exporter should attempt to maintain his old price after silver was demonetized, he must require of the silver-using purchaser more than the amount of silver heretofore paid for his product, subject to the fluctuations of silver based upon a gold measure, which is now, as you know, reduced to one-half its former exchange value. What is the result? The silver buyer of the Englishman's wares must either refuse to buy, must pay the increased silver price, or must manufacture for himself in his own country. What did he do? By a refusal to buy he forced the Englishman to reduce his price. The importer continues to buy with his silver, but to the disaster of the English manufacturer, who can not make a profit at such reduced rates.

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Suppose the Englishman could not afford to reduce his prices to the full depreciation of silver measured upon a gold standard he must advance his prices in exchange for the foreign importer's silver, and then the silver-paying customer complains of rising prices. This leads to the manufacture of these articles in the silver-using countries where the manufacturer is satisfied to take silver at its old value, and thus the market for the gold-standard producer is destroyed. That has been the case in Mexico, India, China and Japan, and doubtless more marked in Japan than in any other country.

FUTURE GREATNESS OF JAPAN.

It looks now as if Japan might become the great manufacturing country of the orient if not of the world. Its population is quite as skillful in manufacturing as is that of England. Japan has the advantages of a better climate, of cheaper labor, of an abundance of cheap iron and coal; her products can be sold in China and India on a silver basis with profit, and even in Europe on a gold basis at a figure less than any European country can manufacture them. It may be said that her manufactures are not sufficiently perfected to compete with the European manufactures. This may be true in many articles, but not as to most articles; and as to those not yet perfected, the patience and skill of the Japanese will soon secure

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for their manufactures the same excellence that has commended European manufactured products to both European and Asiatic consumers.

It must be borne in mind that labor has not fallen in India, China, Japan and other silver-standard countries, and that one ounce of silver bullion will buy as much labor now as it ever did. This is true also of all the domestic supplies and materials required for manufacturing in silver countries. It is also true of taxes and general charges that must be met by all manufacturers alike. In Europe, however, and in America, one ounce of silver bullion will buy only one-half as much labor or supplies and will discharge only one-half as much taxes and general charges. Under these conditions it is impossible for any European or American manufacturer to compete with manufacturers in the countries I have named. If we persist in giving the silver-using countries of the world the advantage which they now possess by reason of cheap silver we will find that in a few years the manufacturing of the world will be in the hands of the Asiatics, and they will export to gold-standard countries their products, and sell at prices quite impossible for the gold-standard manufacturers to meet.

WHY PRICES HAVE FALLEN.

The advocates of the gold standard tell us that the decline in prices is not the result of the disuse

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of silver, but is due to other causes which they are pleased to denominate as over-production. They ignore the fact that the fall in prices is only in the gold-standard countries. Countries having the silver standard have not suffered a fall in prices, nor have they had a rise in prices of articles of domestic production. They have had the desirable condition of stable prices. The rise of imported articles has only stimulated their manufactures.

For twenty years and more the producer in this country has seen the price of his product lessen with each year. The owner of houses and lands outside of the great cities has seen the same steady decline in the selling price of his property. Wholesale prices have especially fallen, while retail prices have not fallen to the full extent that wholesale prices have. Thus the consumer has not had the full benefit of cheap goods by the fall in prices that has pinched and destroyed the producer. All the gold-standard countries have had this fall in prices, while in the silver countries, as I have stated, prices have practically remained stable. Now what has caused this steady decline in prices since 1873? It is folly to say that production has increased to such an extent as to cause this great fall. Nor can it truthfully be asserted that production has been so cheapened by improved machinery and facilities for manufacturing that the products can be sold at

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such greatly reduced prices. The fact that producers are all complaining of the loss of profits is proof positive that in cheapening the cost of production prices can be lowered. The fact of a steady increase in population ought at least to have maintained the prices of 1873.

WHY THE DEMAND HAS DECLINED.

Supply and demand control prices. In fact, it is demand alone that controls prices. The supply will in time meet the demand. The demand depends upon a desire coupled with ability to possess. In our present condition our supplies fall off and still prices fall because the demand has fallen off, and demand falls off because the would-be purchaser has not the financial ability to buy.

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FREE SILVER AND DEBT.

By CLARENCE S. DARROW.

It would perhaps be impossible to determine why gold and silver are used for money. The so-called civilized nations of the earth in this, as in most other customs, followed the barbarous nations, which had generally come to regard these metals as the best for purposes of exchange.

In ancient times they circulated as they do to-day, because of the intrinsic value of the coins. It required a comparatively large amount of labor to produce the metals; they were not found in so great a quantity, and therefore they were valuable as compared with most of the other metals and products of the earth. In early days all exchange was barter, and all business was done for cash. When goods were sold an equivalent was given. It was therefore necessary to have some "universal solvent" that could be exchanged for any commodity the purchaser might desire. Gold and silver gradually came to be regarded as this "universal solvent," and when commodities were bought and sold they were simply exchanged for so much of these metals as were equal to the value of the goods.

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In those days when commodities were rare, when business was limited, when transactions were all made in cash, it was supposed or assumed that the gold and silver of the world were for some unknown reason of about the right quantity to do the work. In these days, when production is infinitely greater, when distribution and exchange is the principal business of the world and incomparably more than then, when all business is done in a different manner than in primitive times, it is still assumed that there is substantially the right amount of gold and silver to do the business of the world. No one has ever attempted to show how much money business needs or what are the natural laws that govern the use of money in the exchange of goods. It is assumed to-day, as it was a thousand years ago, that the so-called precious metals are found and can be found in the right quantities to satisfy the requirements of trade, and also to fulfill the other functions for which these metals are employed.

THE VOLUME OF MONEY.

It is claimed and conceded on all hands that gold and silver circulate because of their intrinsic value; that these metals are money, and that all other forms of currency are promises to pay money; that in the last analysis all debts and all exchanges must be paid in coin. It must follow from this

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that the greater the amount of coin the less is its value per ounce or pound, and that it is always to the interest of the debtor to increase the volume of money, and to the interest of the creditor to diminish the amount. How the volume of currency affects those who are neither debtors nor creditors is a matter of pure speculation, as no one has ever proved, or seemingly tried to prove, how much coin is required to do the business of the world. The chief equities in the controversy over gold and silver are between the debtor and the creditor.

It is practically undisputed that from the formation of the government up to 1873 silver held at least an equal place before the law as the legal money of the land. All debts were payable in so many ounces of silver or so many ounces of gold, as the debtor might elect. All the gold and silver that could be obtained either by exchange or by digging in the earth was available for the liquidation of indebtedness.

It is claimed that the increased production of silver and the demonetization of this metal by other nations so added to its volume as to make it no longer fitted to perform the function of money, at least equally with gold.

INCREASING THE BURDEN OF DEBT.

The value of gold and silver, like that of all other commodities, is governed by the law of sup-

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ply and demand. A little more than half the gold and silver of the world is used as money; the rest is used for other well-known purposes. A great increase in silver without an enlarged demand must decrease its value. And, equally, diminishing the amount of the circulating medium without decreasing its use must increase its value. If silver could be shoveled out of the earth as easily as sand it would become cheaper. Under free coinage the owner of 412½ grains could go to the mint and have a dollar mark placed upon his coin and it must be taken to liquidate a dollar's worth of debts. As silver grew cheaper, the prices of all commodities would necessarily rise. On the other hand, if the United States, using both gold and silver as money, should determine that silver should no longer be coined, but that gold must fill the place of both, then gold would necessarily rise and the price of all other commodities proportionately fall. The full measure of this change would not be realized at once, but gradually the law of supply and demand would enhance the value of the article that in this manner was compelled to do double duty until the prices had adjusted themselves to the decreased volume of circulating medium.

Prices did not fall immediately upon the demonetization of silver in 1873. Land and commodities have a certain value that has been grad-

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ually given them by the laws of trade. To change recognized values in the absence of a panic is a slow process, and the full effect of decreasing the volume of money could not be reached for years after the cause had commenced to operate. Shutting off the steam in a locomotive does not stop the loaded train at once. This change has been constantly going on for twenty years. Every year in this time the creditor has been able to demand more than the debtor agreed to pay. It will go on until the adjustment is complete.

A QUESTION OF HONESTY.

If it be assumed that the increased production of silver and its decreased use by other nations has cheapened the commodity to the detriment of the creditor, does it make it honest to demonetize silver and demand pay in gold?

If a note was given to be paid in wheat and in the year the note came due the production of wheat had doubled so that the note could be paid more easily than either the debtor or the creditor had reason to expect, would it not still be just to pay in wheat, and should not the debtor profit by the increased production of the commodity in which he agreed to pay? Should the creditor be allowed to change the contract by demanding "spring" wheat or "fall" wheat for his debt? If the production of money increased after the debt was made is it

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not right that the debtor should profit by this increase? If the production of money had decreased, would the creditor have asked to change the law to include copper or iron in the circulating medium, because gold and silver were too scarce? He would still have demanded his "pound of flesh." If it is easier to pay than it was then supposed, he has no right to demand more than a pound.

RIGHTS AND WRONGS OF THE DEBTOR.

Whether silver is cheaper because of increased production in America or because of its smaller use in Europe cannot effect the equity of the case. When gold and silver were made money the debtor had the right to get them anywhere on the earth and as cheaply as he could.

When it is contended that the increase of silver makes money cheaper, it must be admitted that destroying silver and leaving gold to do the work makes money dearer.

It is deliberately contended that gold alone should pay debts, and yet it is nowhere proposed that the debts should be discounted to make up for the increased value of gold.

THE "INTERNATIONAL AGREEMENT" ARGUMENT.

The talk of "international agreement" is only a delusion and a snare. To urge that an international agreement should be had is to concede the whole

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case, and admit that the bimetallist is right. This controversy is between the use of gold alone and the use equally of gold and silver, and neither internationalism nor ratio has any bearing on the case.

If both gold and silver should be money, can it be better obtained by waiting for England or by acting independently and trusting other nations to follow in our lead? But aside from this the whole talk of international agreement has no bearing on the case. There never was and never can be any international money. No country has the power to fix the value of money outside of its jurisdiction. When American money goes to England or English money comes here it is taken by weight as bullion, and in no other way. It is taken like cloth, or wheat, or corn—as barter pure and simple. All international trade is barter. If an American merchant desires to buy 1,000 yards of cloth it is true that the English merchant may demand gold or silver as he will. Not only this, but he may demand as many ounces or pounds of either one as he desires. It is not true that he will take only gold. He will take silver, iron, cotton, wheat, or any other commodity or product. He may not take any of these at the value which we fix, but unless the American merchant can afford to give him any commodity he desires upon the

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terms he asks he will not make the trade. If the American merchant can profit by giving the gold, silver or other commodity demanded, he will make the trade and ought to make the trade.

CAN'T HAVE TOO MUCH SILVER.

If the American sends his wheat to Europe he will not take silver unless the silver is worth more than the wheat. If silver becomes plenty prices will rise, but this is the only effect, and this is certainly no reason why both gold and silver should not continue to be the money of the land. Silver is a valuable commodity used in every country of the world, and one of the chief products of the United States. There is no more danger that America can have too much silver than that she can have too much gold or too much iron.

The question of ratio has nothing to do with the controversy. So long as money circulates because of its commodity value all kinds of money should be of about the same value. Gold and silver have remained of nearly the same relative value for nearly 100 years. It is possible that over long periods of time it is desirable that the ratio should be changed. The exact ratio at which two articles will exchange is a question not of theory, but of practice. To enlarge the use of silver would necessarily increase its value. It would likewise necessarily decrease the value of gold, as

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both commodities would then be used to perform the work now done by gold alone.

HOW TO FIX THE RATIO.

Up to 1873 silver and gold were coined on a ratio of 16 to 1; they should be restored to that basis. If it is then found by experiment that the ratio is not the proper one, as governed by the laws of trade, the ratio should be changed for convenience until they float together, but in making the change neither the debtor nor the creditor should be asked to bear all the loss. The silver dollar should be made larger and the gold dollar proportionately smaller until they circulate together.

It is, however, not necessary that they should be of equal value. Suppose the cheaper money does drive out the dearer—what of it? Not a dollar's worth of gold will leave America without a full equivalent in something. This is the law of trade. If it should all go to Europe, we would get something in return, something worth more to us than the gold we sent away, and with this *something* and the productions of the country we can buy it back if it must be had. If silver should be cheaper property would be sold and debts contracted on the basis of this money, and no harm could result. That some contracts have been made in gold only shows how the powerful nullify the law. To restore silver so that it will equally perform the functions

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of money will increase the supply of money, and thus make it cheaper. It will make gold cheaper while it enhances the price of silver.

In the history of the country gold has sometimes been cheaper and silver has sometimes been cheaper, but business was done the same. Man does not live by gold alone, whatever its advocates may imagine.

WAITING ENGLAND'S PLEASURE.

In this issue there ought to be no chance for men to be deceived; those who are not for bimetallism are for gold. If we are to wait for England we must wait forever, and all financiers know it well. Both common sense and a moderate degree of national pride and independence ought to show the folly of waiting for England. England owns the bonds and credits of the world; the scarcer the money the more she is able to demand. If we are bound to follow England in dropping silver and taking gold, she might equally compel us to drop gold and take diamonds. For America to wait for England to consent to bimetallism could only have been paralleled by the slaves in the south waiting for the masters to consent to freedom.

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NEED TO COIN SILVER.

By FRANKLIN H. HEAD.

I fully believe in the entire practicability of restoring, in monetary affairs, the condition which existed prior to 1873, when all the nations of the world opened their mints to the free coinage of both gold and silver upon a certain agreed ratio. This condition had existed from the dawn of even the crudest civilization to the manifest advantage of the business interests of the world. Prior to 1873 no one had ever thought of making an obligation specifically payable in either gold or silver, since, as the coinage of each was free, no one cared whether payment was made in one metal or the other.

In the consideration of the present condition of the currency question certain fundamental points may be regarded as fundamental and elementary:

1. Any stable currency must be either metallic or redeemable in metallic money. What is known as paper money is convenient and invaluable in the transaction of business, but would suffer instant depreciation were it not redeemable in coin. A large reserve of metallic money is therefore neces-

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sary in order that its paper representative may circulate at par.

2. An increase in the quantity of money raises prices and a decrease lowers them. The coin of the world is constantly shrinking, from loss and abrasion, requiring constant additions to make good this loss. A constant increase of the world's stock of coin is also necessary to meet the increase in the volume of transactions. The gold and silver coin of the world are of approximately equal value, and a suppression of either metal from monetary service doubles the demand for the other, lowers prices and wages and necessarily produces universal disaster.

3. The law of supply and demand applies equally to the money metals as to all things else, and the demand fixes the relative value. The law cannot fix the abstract value of these metals as measured by other commodities, but it can fix the ratio between silver and gold as used in the payment of obligations and the settlement of exchanges. For a long period this ratio has been fixed at from 15½ to 16 pounds of silver to one pound of gold, and so long as this ratio was undisturbed by legislation the demand was equal to the supply. When the money function was taken from silver the demand therefor was greatly diminished, since the principal demand was for coinage, and the market value of silver, as measured by gold, was largely

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reduced, as would inevitably be the case with any commodity. What is known as the fall in the price of silver is caused, not by its increased production, but its suppression as a money metal, whereby three-fourths of the demand is arbitrarily destroyed.

RESTORED BY INTERNATIONAL AGREEMENT.

While believing in the restoration of its money function to silver, I do not believe such restoration possible except by the concurrent action of all the great commercial and, therefore, civilized nations. Should our own mints alone be opened to the free coinage of silver all international balances would be paid us in silver, while other nations would refuse to receive silver from us when such balances were reversed. The practical side of this question, therefore, hinges upon the possibility of inducing an international agreement among all the great commercial nations for the free coinage of both gold and silver upon an agreed ratio.

For a time the principal nations of Europe seemed satisfied with gold monometallism, but a widespread change of opinion on that point seems to have developed within the last two years. The reason for this change of opinion is plain. There has been throughout the world an unprecedented fall in the prices in nearly all staple commodities, whereby the purchasing and debt-paying power of the people has been greatly diminished. This has

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been followed, in some cases, by national bankruptcy, and everywhere by diminished demand and consequent fall of prices from the loss of purchasing power among the people. In our complex civilization, in a great measure, all prosper or suffer in common. The merchant or manufacturer can make no money from an impoverished community, and nations are equally amenable to this rule. For a time England apparently prospered from the rise in gold, or, in other words, from a general fall in prices, inasmuch as all the world owed her money, and with the increase in the purchasing power of such money she would buy therewith the greater amount of every commodity, but the bankruptcy of the Argentines, Egypt, Turkey and other nations and the impending bankruptcy of India are bringing home to her merchants and manufacturers the truth of the idea that it is not good national policy to bankrupt the communities from which a nation derives its income. The conversion of many of the most intelligent and able writers and thinkers of England, France and Germany to the necessity of international bimetallism is one of the most hopeful signs of the times.

IS A SINGLE GOLD STANDARD DESIRABLE?

The production of gold throughout the world is large, but the most reliable statistics indicate that

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probably at least 70 per cent of the annual production of gold is used in the arts, and the 30 per cent, or thereabouts, left available for coinage is not sufficient to make good the shrinkage by loss and abrasion and to meet the constantly enlarged demand for coin as the basis of all commercial transactions. The result, therefore, is a virtual contraction of the currency, leading to a universal fall in prices, a diminution in the volume of business, a large shrinkage in wages and in the purchasing or debt-paying power of the people. National prosperity is only possible when all classes of business are reasonably remunerative, and this is only possible when substantially all labor is employed at reasonable rates.

Gold monometallism can be justified on only two grounds:

1. That there is a sufficient amount of gold to form a basis for the world's exchanges without an appreciation of its purchasing power.

2. That the production of silver is so great as to unfit it for monetary service.

TOO LITTLE GOLD, NOT TOO MUCH SILVER.

As to the first point, no person can question the fact of a widespread and universal fall in prices on nearly all commodities for the last twenty years, and a fall in prices and an appreciation in the value of money are convertible terms. The pur-

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chasing power of gold has unquestionably vastly increased.

As to the second point, the best available statistics show that there is no such increase in the production of silver as compared with gold as to call for its demonetization. The amount of silver and gold coin throughout the world is, from the best information obtainable, substantially equal in value at the ratio of 16 to 1; that is to say there are sixteen times as many pounds of silver coins as of gold coins. Experience through the entire historic period has shown this proportion to be satisfactory and advantageous, and the commerce of the world has adjusted itself to this ratio from time immemorial. From 1871 to 1892, both inclusive, 1892 being the latest date to which reliable statistics are now obtainable, the world produced of gold $2,450,-084,000, and of silver at 15½ to 1, $2,618,687,000. From 1801 to 1893 the production was of gold $5,833,543,000, and of silver at 15½ to 1, $4,858,-359,000. For the whole period of ninety-two years, therefore, slightly more gold than silver was produced. For the shorter period of eleven years slightly more silver than of gold was produced at a ratio of 15½ to 1, which was the European ratio of coinage, being a surplus of silver in this period of $168,000,000. Changing the European ratio to our own of 16 to 1, the surplus of production

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would be something less than $87,000,000. Make the ratio 18 to 1 and the excess in the value of gold produced would be $195,000,000. These results would seem to indicate that the ratio should be fixed at between 16 and 18 pounds of silver to 1 of gold, at which ratio the value produced of the two metals would be substantially the same.

BENEFITS OF BIMETALLISM.

The ratio between the two metals, under an international agreement should be fixed by a commission of experts of widely recognized ability, whose award would thereby command the public confidence, and with such ratio fixed and the free coinage of both metals by all nations upon such a ratio, we might look for a coming and continuous growth and prosperity in all branches of business.

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THE UNITED STATES SHOULD ADOPT FREE COINAGE INDEPENDENT OF OTHER NATIONS.

By W. H. HARVEY,

AUTHOR OF "COIN'S FINANCIAL SCHOOL."

Mr. President, Members of the Illinois Club, and Gentlemen: When accepting the invitation of your committee I had hoped that this discussion would be on fundamental principles and facts; thus educational in its character, and later on when better informed as to these we would reach the remedy. I felt also a keen desire to get at Prof. Laughlin on the unit of value existing prior to 1873 and the "crime" of that year, two points on which he has been misleading the readers of the *Times-Herald*. [Applause.] But he has seen fit to decline a discussion of those two questions, and we are to-night to take up the remedy—the last question covered by this controversy.

The first reason why I am in favor of independent action by this country is that we should not be subjected to the influences of the governments of Europe. [Great applause.] When our forefathers declared their political independence from Europe it was to free themselves from the class

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legislation of those governments justly termed plutocracies. If people can be reduced to poverty and the prosperity of the United States can be ruined by hanging to the financial policy of Europe, then we can be reduced to the same condition by financial legislation as a war of conquest would reduce us. The monometallists mostly say or admit bimetallism would be good if we could get international bimetallism. In other words they agree that there is something radically wrong, but claim that we are tied to the financial policy of Europe. So that if a war of conquest in this country by the monarchies of Europe, whose form of government is different from ours, would reduce us to the condition that the people of those governments are in, and they can accomplish the same purpose by financial legislation, then there is a necessity for independent action. [Applause.] Where there is a necessity there is a remedy. Suppose you were to say to a man of common sense, "We are compelled to adopt the financial policy of Europe," and he replied, "The country is going to waste and ruin, and desolation is spreading from ocean to ocean," and demonstrates that the cause of it is our adoption of the financial policy of Europe, and we say back to him, "It makes no difference, we are compelled to adopt the financial policy of Europe." This answer would not be acceptable to the hard headed citizen

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of this country. The governments of Europe are plutocracies. They squeeze the lemon for the people about every so often. The few control class legislation and the masses are hewers of wood and drawers of water for the titled few. Like the farmer who goes out to rob the bees' nests, they rob the people and then give them time to fill the nest again before going out to rob it again. [Great applause and laughter.]

SHOULD DECLARE OUR INDEPENDENCE.

We have certainly not forgotten the history giving the reason why our forefathers established this government—and that was the reason. Now, if financial legislation is one of the classes of class legislation by which the many are robbed and the few enriched, by which the lemon is squeezed, then it is one of the institutions of the European governments that we as a nation of people, republican in form, should declare our independence of. [Applause.] That is the first reason why independent financial action should be taken by the United States. If they say, "We must have the same money that they have in order to carry on business with them," my reply is, "that the biggest business we ever did carry on with the balance of the world, and particularly Europe, was the time when they had gold and silver as money and we had neither. [Applause.] It is one of those pe-

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culiar arguments that wears its way into a man's brain when reiterated and monotonously given out by the daily press that we must have the same money that the other great commercial nations have. We never stop to investigate. It belongs to that catalogue of arguments that existed prior to 1492, when a majority of the people of the world said that the world was flat and a few men, including Columbus, contended that it was round. [Laughter.]

Those interested in purposely cultivating through ages an international money on lines marked out by them have the same possession of the public mind as the critics of Columbus had, and those who contend for financial independence from Europe can be classed with the followers of that great navigator whose minds were in advance of the age in which they lived.

This nation can have an independent financial system without any reference whatever to the balance of the world, and can carry on its own commerce by ocean and by land with the other governments of the world notwithstanding. We do not now settle our balance with Europe in coin except on its commercial value and by weight. Our commerce has nothing to do with it. Primarily balances of trade are settled with trade. We give them our wheat and we take their silks, and the

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balance that we may owe them or they owe us will be settled just as the merchants between the importing points may agree to settle it. They can settle it for gold at so much a pennyweight as measured in the money of their country or our country, or in so much silver, or so much copper, or so much of any other merchandise that may be agreed upon between them in their trade relations. There is no such thing as an international money. A merchant in London has sold goods and vice versa with a merchant in New York. At the end of six months the merchant in New York owes the merchant in London $50,000 dollars as measured in the American money, whatever it is, and they have an understanding by which the New York merchant is to settle those balances, and it may be in wheat or it may be in cotton that the contract would be settled—anything that would be in a general way agreed upon—but gold or silver, irrespective of how much we are coining of it as money, could be agreed upon. So that in the beginning of a study of this question that point can be made clear to the mind of any man who does his own thinking. [Applause.]

THEORETICAL REASONING.

You cannot meet arguments that are purely theoretical, such as a man proving to another that a cat has three tails. He proves it this way: No

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cat has two tails and one cat has one more tail than no cat; therefore one cat has three tails. [Laughter.] Profound theorists on the other side of this question are now especially fond of this class of reasoning. Growing out of a long accustomed habit the men who have studiously cultivated class legislation for their benefit have impressed the common masses with certain apparent fixed principles which they are to be controlled by, and one of them is the necessity of international money, just as they have made you believe that national bank money was necessary. [Applause.] Now, the reason behind that is this: They can go to Washington and hypothecate their bonds, draw the interest thereon, get a loan on these bonds to the amount of 90 per cent of their face value, without paying any interest, to loan it to you at from 7 to 12 per cent. This is a special privilege. And we have learned not to blame people for doing these things. But we should. It should be a common country conducted for the benefit of all the people. [Applause.]

What we are contending for is the opening of the mints to the free coinage of silver (they are now open to the free and unlimited coinage of gold and have never been closed to that metal), and the establishment of bimetallism on those simple and fixed principles adopted by those statesmen who had in view the interest of no class, but of all the

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people. What we want is bimetallism. And scientific bimetallism is this:

First—Free and unlimited coinage of both gold and silver; these two metals to constitute the primary or redemption money of the government.

Second—The silver dollar of 371¼ grains of pure silver to be the unit of value, and gold to be coined into money at a ratio to be changed if necessary from time to time if the commercial parity to the legal ratio shall be affected by the action of foreign countries.

Third—The money coined from both metals to be legal tender in the payment of all debts.

Fourth—The option as to which of the two moneys is to be paid in the liquidation of a debt to rest with the debtor, and the government also to exercise that option when desirable when paying out redemption money.

The mints are now open to the unlimited coinage of gold. Such portion of the product of that metal as does not find an immediate demand to be used in the arts and manufactures is taken to the mints and coined into money—into money—and becomes at once the object for which all other products seek the market. It thus has an unlimited market, as the mints are open to all of it that comes.

This was true also as to silver prior to 1873, but by operation of Sec. 21 of the act of that year

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the mints were closed to the unlimited coinage of that metal. Hence when silver now seeks the market and exhausts the demand supplied by the arts and manufactures, and the small purchases of the government to coin it into token money, the demand for it ceases. Gold has an unlimited demand. Silver has a limited demand. Silver is now a commodity to be measured in gold. It is an object to be gored and kicked by bulls and bears. It is shut out from the United States mint.

SILVER IS TOKEN MONEY.

It is token money. It has been deprived of that unlimited demand it enjoyed prior to 1873. We would restore to it that unlimited demand. We would open the mints to it again. We would leave the mints open to gold as they are now. We would give silver the same privileges as gold. Restoring to it this unlimited demand would cause the value of silver to rise as compared with gold. This is what we want. This is what we would do. [Applause.]

We would again make the standard silver dollar the unit of value as it was before 1873. It would thus be a dollar, and the bullion in it would be worth a dollar, as the number of grains of bullion in a dollar would have the right to walk into the mint and be coined into a dollar. No man would take less for it when he could have it coined

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at pleasure into a dollar. We would make gold coins of the value of so many silver units or dollars, as the law existed prior to 1873. Silver is the people's money. [Applause.] It was so regarded by our forefathers, and was the favored metal of the two. It was given the position of honor in the coinage of our two metals by having the unit of value made from it, and gold, its companion metal, measured in it. Gold was and is the money of the rich. This was to be a government of the people, and the people's money was to be the most favored. Twice when the commercial ratio between the two metals made it advisable to change the legal ratio the change was made by recoining the gold coins. This was in 1834 and 1837. The spirit of our forefathers then lived in their sons. [Applause.] The gold coins were changed in both weight and size. In 1834 the gold eagle had twelve grains taken out of it. In 1837 the gold eagle had two-tenths of a grain added to it. No change was ever made in the quantity of pure silver in the silver unit. There were to be no two yardsticks. The rich man's money—gold—was recoined when the commercial ratio changed to interfere with the legal ratio. This is the law we would re-enact. [Applause.]

We would make both legal tender in the payment of all debts. We would repeal the law of 1878 and the Sherman law of 1890, authorizing

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contracts (bonds, notes and mortgages) to be taken payable in gold only. We would allow no discrimination to be made betwen the legal tender character of the two metals. We would allow no private individuals to dictate to the government what its legal tender money should be. We would place the white metal on an equal footing with the colored metal without regard to previous condition of race or servitude. [Enthusiastic applause.]

We would give the option to the debtor if there was any preference as to which of the two he would use in the payment of a debt. [Cries of "Good! Good!"] A break in the commercial parity causes the cheapest metal to be used. This increases the demand for the cheaper metal. This increased demand restores the value of the metal that had thus fallen below a parity and brings it back to parity. To give the option to the creditor causes the dearer metal to be demanded, and it thus grows dearer and dea:er and a parity is permanently broken, and the gap grows wider and wider. When the debtor has the option the two metals will oscillate close to a parity and substantially at a parity. This oscillation is the elasticity that bimetallism gives to primary money. If one becomes scarce the other is used. If one is cornered the other takes its place. Either answers for money. [Applause.]

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KNOWLEDGE DIED WITH OUR ANCESTORS.

A true knowledge of bimetallism and the simplicity of that system died with our ancestors. Selfishness stalked into the American Congress at a time when neither metal was being used as primary money (our primary money was then paper money), at a time when corruption was rife in our National Legislature, followed by articles of impeachment against Vice-President Colfax for complicity in the Oakes-Ames affair; the resignation of Secretary of War Belknap for bribery, the charge of corruption against numerous Congressmen in connection with the Credit Mobilier scandal and land grant swindles. At a time when statesmanship was dwarfed in personal selfishness men who knew what the effect of such a change in our financial policy meant organized successfully the first trust to be benefited by National legislation in this country. It was a money trust. It was the demonetization of silver. The money of the people was destroyed. Silver at that time was at a slight premium over gold.

By this act the mints were closed to the unlimited coinage of silver, except the trade dollar, which was overvalued by eight grains and intended only for export to China, and it was shut off by the act of 1876, except as the Secretary of the Treasury might permit it to be coined.

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Silver had then begun to fall as measured in gold, and the breach in the commercial parity of the two metals, as was natural, gradually widened. With resumption gold asserted its importance and silver correspondingly declined. Under the Bland-Allison act of 1878 creditors began to make their notes, bonds, and mortgages payable in gold to the exclusion of all other forms of legal tender money. This increased the demand for gold. Silver had ceased to be primary money. It had taken a place with nickel and copper as token money, all redeemable directly and indirectly in gold. That elasticity which the alternate use of silver with gold that true bimetallism gave to our primary money was now absent. If the demand for gold became too great to supply the normal needs of primary or redemption money there was nothing to take its place as such. Creditors would demand the dearest metal and the law had given them the right to do so. There was but the one metal to which the mints were open—the commercial value of the other metal had been lowered by legal discrimination against it. Gold was carrying the silver just as it is carrying paper money. Silver was not permitted to take the place of gold. If gold was cornered neither the United States Treasury nor the debtor could put silver in competition with it.

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They must go to the men who have the gold and get it and submit to their terms. A corner on beef cannot seriously threaten the health of the people of this nation so long as mutton and pork are in competition with beef. A corner on gold could not, as it does now, seriously threaten the credit of this Nation if silver were in competition with gold as primary money. [Applause and cheers.]

SUGGESTS A REMEDY.

What is the remedy? Shall we follow Mr. Cleveland and Mr. Sherman and such party leaders any farther? They have led us into a swamp and the mire is getting deeper and deeper; we are sinking in the mud and slush more and more, with an abyss and oblivion beyond. Speaking of these two party leaders reminds me of the good old Methodist woman who was invited by a Presbyterian woman friend to go to her Presbyterian church to hear a Presbyterian preacher. Well, when they got there they took seats up in the amen corner, and to the surprise of the good old Methodist woman she found that the Presbyterian preacher could preach a real soul-stirring sermon, and she expressed her satisfaction by saying amen. This attracted the attention of the good old presbyterian deacons, and they commenced looking cross-eyed at her. But the sermon grew better and better, and the good old

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Methodist woman was soon crying hallelujah! The dignity of the Presbyterian deacons was shocked. From crying hallelujah the good old Methodist woman soon got to clapping her hands and shouting. This was too much for the deacons and two of them took hold of her and picking her up carried her out of the church. As they passed down the aisle with her she exclaimed: "I cannot stand the honor." She repeated this statement several times: "I cannot stand the honor." The curiosity of the old deacons was excited to know what she meant, and when they set her down in the vestibule of the church they asked her why she had said what she did. She replied: "Christ rode out of Jerusalem on one donkey and I have ridden out of this church on two." [Great applause and laughter.]

Let us have nothing more to do with the men who have assisted in tying the hands of this great nation and delivering its financial policy over to the gold gamblers of the world. [Applause.] The bank of Rothschilds in England is now behind the United States Treasury. [A voice, "True, true."] They are our financial agents, our financial managers. We are paying them the princely salary of $8,000,000 for each six months of their valuable services. It requires special pleading to defend this transaction and the circumstances which have led up to it. You will hear some of that special pleading

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tonight from the gentleman who is to follow me. [Laughter.] We are now in the hands of the pawnbrokers of Europe. They will take the same care of us that the spider did with the fly. [Laughter.] We have very little gold left in this country. We are a debtor nation and our people and corporations are heavily in debt to the people in England, and the interests on what we owe them amounts annually to about $250,000,000, payable in gold. They demand gold. Contracts call for it in gold. To pay this we have a balance due us in trade with Europe of about $100,000,000. That leaves $150-,000,000 still left to pay them. How do we pay it? We produce about $40,000,000 in gold yearly. We give them that. This leaves about $100,000,000 still due them. How do we pay it? Out of our reserve stock of gold. With them getting all our money, represented by the balance due us on exports, and all our annual production of gold, and $100,000,000 annually from our reserve stock of gold, how long is our reserve stock of gold to last?

ASKS "WHERE WILL IT END?"

How are we to replenish it? There is only one way—that is to borrow it from those who have it, and that means England. And that is what we are doing. That means more interest, more gold annually to be paid to England. Where will it

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end? It means the "dismal swamp" and "hell's half acre" beyond. This is what having a gold standard means. A primary money without the elasticity that two metals give; the rich man's money—a money that is easily cornered. That can be physically cornered—cornered in this room; all of it; all that is in the world. A dollar from it is the size of a drop of water—so small that by act of Congress September 26, 1889, its further coinage has been prohibited. We now have a unit of value so small as to be impractical for use. That cannot be coined into money the size of a poor man's transaction. This is not now a poor man's government.

How are we to pay these debts to England? Repudiate them? No. Robbers' dollars as they are, let us pay them. Result of a conspiracy played on us while we slept, yet let us pay them. [Great applause.] If we don't, Lyman Gage or Russell Sage will say we are dishonest. They will never say the other fellow is dishonest. He wears good clothes, looks important, and owns a newspaper. [Laughter.] But how are we to pay those debts to England? It is this way: Restore silver; put it in competition with gold on a legal ratio of 16 to 1. Repeal all laws allowing a discrimination between the two metals; stop gold notes from being taken; put silver in competition with gold as quick

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as possible. Where gold contracts do not exist silver will go at once into competition with gold, and this will take some of the demand off gold. To that extent it will lower the value of gold. The extra demand for silver will raise its value. Everything will advance in value at once. The Tribune admits that. [Laughter.] As silver advances, the silver England is now buying from us to ship to India ($15,000,000 last year) to buy wheat and cotton will cost her more. India wheat and cotton that she buys with silver will cost her that much more. A farmer in India wants an ounce of silver for a bushel of wheat. At free coinage that ounce of silver is $1.29. That means that if England pays us $1.29 for an ounce of silver, wheat from India will cost it $1.29 per bushel. Then it will pay us $1.29 per bushel for our wheat. It now buys silver from us at 65 cents per ounce and buys wheat and cotton with it in India, and we must compete with that price. When our silver advances and the price of all our products advance and wheat and cotton goes back to their old price we will be more able to pay our debts. [Applause.] Our balance in trade will be $200,000,000 instead of $100,000,000, and this will only leave us $50,000,000 to pay the balance we owe England annually. The only way to pay England is to advance prices permanently, not spasmodically as is

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now being done on a few articles. We are now getting drunk on more money borrowed from England. Fifty million dollars on railroad bonds last week. The relapse will be worse than the last attack. But they say gold will leave us and will go out of sight, and how are we to get it to pay our gold debts? We are now paying 100 per cent premium for it with our silver, and about the same premium on it in our wheat, cotton and other products. When we have put silver in competition with gold the premium cannot possibly be that much. If when our mints are open to silver gold is held at 25 per cent premium, it will mean that we have taken 75 per cent of the present premium out of it, as it now takes the silver in two silver dollars to buy one of them. It will then only take one and a quarter of one of our silver dollars to buy one gold dollar, and it will take less of any of our other property to buy gold than it does now. It is foolish to say that when silver is in competition with gold that gold will cost no more. As in the former illustration, as well say that beef will go higher by putting pork and mutton in competition with it. As we get these gold debts paid off we will be more independent. We can show gold that we do not depend on it for money. It will then be our slave. It is now our tyrant. It will then come back and beg us to take it as in 1873, when it—one of these

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gold dollars—was worth two cents less than a silver dollar. The more importance we place on it the more we have to pay for it; the less importance we attach to it the less we will have to give for it. [Applause and cheers.]

If a man suddenly finds himself floundering in the middle of a stream the quickest way out is to strike out for the nearest shore. The quickest way out of the present situation is to leave the mints as they are, open to the free and unlimited coinage of gold, and throw them open to the free and unlimited coinage of silver at the ratio of 1 to 16 as full primary—redemption—money. [Applause.] And why the ratio of 1 to 16? Because that was the ratio when the trick was played. Justice demands it. A great wrong has been committed and to right the wrong is the first thing to do. [Cries of Hear! Hear!]

With the mints of this great nation open to the free and unlimited coinage of silver a demand has been created sufficient to absorb all the surplus silver in the world if it wishes to unload upon us. How much silver is there in the world? As expressed in dollars there is $4,000,000,000 of it available for use as money. As expressed in bulk there is the cube of sixty-six feet. It will all go in the room of the First National Bank of this city and the basement thereunder.

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Now, we will pull the throttle valve; we pass the act of remonetization. The mints are thrown open as they were prior to 1873. Now, what is the result? It would be like an engine starting off on a rough track to start with, probably. Here would come the silver of the world, we will say, to take our gold away. "You fellows have overrated silver. We are willing to swap with you; we will give you our silver and take your gold." Well, here they come with it. How are they going to give us their silver? They give us silver for our gold. How much would they get and how much would they give us? At the present time there is probably about $400,000,000 of gold in the United States. It is only a very small sum compared with the necessities of the country. Now, suppose they got all of our gold. What would they do with it? Would they eat it? Is there anything sacred about gold or silver, either, except for the use of the arts and manufactures and for their desirability to use as money? Now, they want to bring us the balance of their silver. What do we give them for it? We give them our products. Ships are coming into our harbors from all portions of the world bringing us the silver of the world—this sixty-six feet. (I am taking an extreme view of it—a monometallist's view of it.) And they are going back with the products of our spindles and looms and of our fields.

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They have got our products and we have got their silver. We can go to work and raise the same products next year over again and tell them to bring some more of it if they have got it. They bring us all their silver and they have found out that we have got enough to give them for it. In other words the United States if big enough when she throws her mints open to the free coinage of silver to take all the silver in the world and give up her products in payment for it; and such a nation can fix the ratio between gold and silver. [Great applause.] They could find ships enough to bring it to us. Two ships would carry it all. The products of this country for a single year could take it all. And we could still say: "Come on. We have more to sell you." [Cheers and applause.]

GOOD FOR OUR MANUFACTURERS.

Such a thing would put our manufactories at work. There would be no idle labor in the United States in ninety days after the monometallists tried that game on us. There is only $1,400,000,000 of silver in the world that is not in the coins of the established governments.

It would be the very best thing that could happen to this country if we could trade what is claimed to be $600,000,000 of gold in this country (but in truth less than $400,000,000) for all the silver of the world. It is just as good as money. It is an

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erroneous idea to stand gold up and worship it as a great god. There is nothing in it except its use in tne arts and its use as money, and you have been impressed with its use of money simply because it has been impressed upon you. You don't have to carry silver around with you. You don't carry gold around with you. We carry more silver than we do gold. You carry a paper substitute to represent it. Gold would immediately come back and knock at our door. (I mean if this happened. I don't admit it will happen, because I won't say that the balance of the world are fools enough to give us their silver.) What I say will happen will be this: When a great government like the United States says: "Here is equal exchange, 16 for 1, gold for silver," that a man in France is not going to part with his silver for gold unless he gets that much for it—unless he gets as much for it as the United States will pay for it, less the cost of exchange. [Applause.]

So that when a government that is big enough to take all the silver in the world, if it wants to test its capacity, a demand is created by an influence that is able to sustain that demand, so that a man nowhere in the world is going to sell his silver for gold, for any less than he can get for it in the United States. But we will not have to go it alone. Mexico, Central and South America are already

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with us when we start. We start with one-half of the world geographically; all bonded together in sympathy. [Applause.] The reason why Mexico and South America governments cannot go it alone is because they are small commercial governments. Europe and the United States are too much for them. The enormous demand made for gold by the enormous commercial transactions of Europe and the United States makes a demand for gold that the governments of Mexico, South America, and China and Japan are not equal to overcome. So that the United States, when she would start, would have the assistance of these weaker governments with her.

France said to the United States at the international conference in 1876 to our delegates: "We come here to hear your proposition and to follow you; all you have to do is to start." [Applause.] France has been enforcing the bimetallic system and refusing to pay out except half and half, saying to us: "We are waiting on you; open your mints and we will follow." So we would start with the Western Hemisphere, with China and Japan on the Eastern Hemisphere, and with France with the United States, two of the greatest governments in the world. When the nations of the world that give importance to silver have a commercial influence as great as those nations which

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give importance to gold the commercial parity between the two metals will settle itself. [Applause.] England demonetized silver in 1816, and yet there was a commercial parity maintained at rates fixed from that time to 1873. The United States, France, and the Latin Union had their mints all open to silver and England stopping the free coinage of silver, had no effect upon it. So, if we begin, we begin strong enough to do it. "The way to resume is to resume." [Cries of "Yes!" "Yes!"] The way to remonetize is to throw our mints open and we have got it. We will have higher prices once more. Everybody can make some money. "There is not that paralyzed and deadly feeling that comes with the destruction of prices and the hoarding of money. Now, suppose that gold does still leave us and you want to stop it. You don't need it in settling with a foreign country. We demonstrated that during the war, because a man can go and buy it at whatever it will cost in order to pay in settlement of his balance of trade. Our trade with foreign nations is only 4 per cent of our business, and our domestic trade is 96 per cent of all our business. Which do you want legislated in the interest of—96 per cent or the 4 per cent? [Applause.]

But suppose you keep the gold and have gold and silver both circulating among us. Gold doesn't

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circulate now; but suppose we wanted to keep them on a commercial parity and found that the conditions that I have described didn't do it, how would you do it? The first thing would be, how can we increase the demand for silver? Well, it might be done two or three ways. In the first place we would send a commission or several commissions to Germany and say to those people: "Here, we, the great United States, have begun the work of declaring emancipation for the human race for these burdens that are upon them, and we want to add our argument to the arguments of your able bimetallists here in Berlin; we want you to come in with us." [Applause.] Wouldn't it have some effect? Would it not have more effect than to lie back like dogs in the manger, as we are doing now? Germany could be persuaded, possibly, with the influence of other bimetallists so that we could go on in that missionary work, launched on a gigantic scale as it would be, until we had back all of the governments of the world where we were prior to 1873, except England. We don't want it at all. You are not going to get it, either. I would just as soon go to England, to the men who mold legislation in England, and ask them to give us bimetallism as I would to go to the rankest gold bug in Wall street and ask him to go down and persuade Mr. Cleveland to turn over to us. [Applause.]

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MAN A SELFISH BEING.

Why? Man is moved by selfish motives, unless he has freed himself from those base instincts, and large money makers who have long since got more than they needed in this world, and are still piling up more for the purpose of saying that I am the righest man in the world, or that I am richer than my neighbor, and so my wife can say that she is richer than Mrs. Smith—when you strike a man like that, and that is the kind of men you strike when you go to England, who control legislation there, there is a selfish motive for their monometallism, and it is because they are the creditor nation of the world. All the world owes them money, and what is the object of commerce? It is the exchange of property—property for property, property for money, and money for property, and England can exchange its gold that you owe it and all the world owes it for twice as much of your property as it could if we had bimetallism. In round numbers there are as many silver dollars in the world as gold dollars. The statistics will show you that there is but a slight difference, an equal amount of each, dollar for dollar, free coinage prices; and when you add silver to gold as primary money prices advance, and England's gold would then have its value taken out of it, and it would have to pay twice as much for our property.

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Now, that is the reason why it won't do it. [Applause.]

If an undue and unrighteous inflence by schemers and tricksters abnormally enhances the value of gold so a commercial parity at 16 to 1 can not be maintained, then do as our forefathers did, change the ratio, and make the change in the weight and size of the gold coins. Monroe and Jackson did it. They were not called dishonest for doing so. They were legislating in the interest of the people and not in the interest of the favored few. We are not compelled to keep the legal ratio at 16 to 1; we can change it to 20 to 1, if necessary, to fix the legal ratio to correspond with the commercial ratio, but if the change is made let us make it in the rich man's money and not in the poor man's money. To lessen the size of the gold coins makes more dollars. To increase the size of the silver coins makes less dollars. Let us have more dollars rather than less dollars. [Applause.] A parity at the same ratio is practicable as admitted by the experience of ages. This is what we ask.

This is a question of capital on one side and humanity on the other, of sound money—the sound of the clod on the coffin—on one side, and sound money—the sound that has the honest ring of the people's money in it—on the other side. It is a question of an English policy or an American policy. Which shall it be? [Prolonged applause and cheers.]

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HISTORY OF GOLD AND SILVER.

In remote antiquity the value of silver seems everywhere to have been equal to that of gold. In some countries, as for instance, Ancient Germany and Ancient Arabia, silver was more valuable than gold. As late as the 17th century of our era gold and silver were valued equally in Japan. In the Orient, generally, the ratio between the two metals was less than in Europe, even down to the middle of the 19th century, and the result was the absorption of immense quantities of silver in the East.

1594 B. C. Cadmus mined gold in Thrace.

1400 B. C. Gold and silver used as money in Egypt, India and Arabia.

1100 B. C. The Phœnicians worked the gold placers of the Guadalquiver in Spain.

480 to 206 B. C. Silver mines of Spain were worked by the Carthaginians.

450 B. C. Herodotus states the ratio to be 13 to 1 in Greece.

330 B. C. Alexander the great won by the conquest of Asia over $300,000,000 of gold and silver.

60 B. C. Ratio in Rome 9 to 1.

14 A. D. Amount of precious metals in the civilized world estimated at $1,800,000,000. The drain to the East began at this period.

650 A. D. In Arabia, ratio 6½; in France, 10.

800 A. D. Total supply of precious metals about $165,000,000. At this time the Moors reopened the mines in Spain. Mines discovered in Saxony, Harz Mountains and in Austria. Supply of precious metals remained about stationery until the discovery of America.

1257. Gold coins first introduced in England.

1442. Goncales Baldeza returned from a voyage to West Africa, and brought with him the first gold from the western coast of that continent.

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1471. The silver mines at Schneeberg, Saxony, were first worked; up to 1500 the yield is estimated to have been more than 160 tons of silver, but after that year the output decreased rapidly.

1492. Discovery of America by Columbus, whose chief object of search was gold, which he found in considerable quantity among the natives of the islands he reached.

1497. In Spain the ratio was $10\frac{3}{4}$ to 1.

1516. The silver mines at Joachimstahl, Bohemia, were in flourishing condition at the beginning of the sixteenth century. In 1516 some 8,000 miners were employed there.

1521. Conquest of Mexico by Fernando Cortés.

1522. The first silver sent to Europe from the mines of Mexico was obtained from Tasco, discovered by the Spaniards this year. These mines, together with those of Pachuca, are considered the oldest in Mexico, some of them having been long worked by the Aztecs at the time of the arrival of the Spaniards.

1527. There are no documents to show when silver-mining was first begun at Przibram, Bohemia, but, according to the municipal records, a concession to reopen the mines was granted in 1527.

1532. Conquest of Peru by Francisco Pizarro.

1537. Gold-mining was begun by the Spaniards in New Granada (Republic of Columbia).

1540. Work was begun by the Spaniards in the silver mines of Zacatecas, Mexico.

1545. Discovery of the famous silver mines of Potosi, Bolivia.

1548. First discovery of silver at Guanajuato, Mexico.

1555. The silver mines at Sombrerete, Zacatecas, Mexico, began to produce.

1557. Invention of the patio process of silver amalgamation by Bartolome de Medina, of Pachua, Mexico.

1571. The Huancevalica quicksilver mines in Peru first began to produce in noteworthy quantity. This was an important event, as an abundant supply of mercury for the amalgamation of Potosi ore was thereby obtained.

1574. The patio process was introduced in Peru.

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1575. Discovery of the silver mines of Oruro, Bolivia.
1577. The placers of Brazil were first discovered this year, but they were not actively worked until 1674, and their product did not begin to be important until 1695.
1590. Invention of the system of copper-pan or "cazo" amalgamation by Alonzo Barba, Potosi, Bolivia.
1609. Holland maintained from 1609 to 1816 a silver monetary standard, giving gold a nominal valuation at a ratio 14.7 to 1.
1623. Discovery of silver at Kongsberg, Norway; the works at that place were established the same year.
1630. Discovery of the famous silver mines of Cerro de Pasco, Peru.
1632. Discovery of the silver mines of Batopilas, Chihuahua, Mexico.
1633. Invention of the aludel furnace for the reduction of quicksilver, by L. S. Barba, a Peruvian; this was the first efficient furnace devised for this purpose.
1666. Discovery of the silver mines of Cusihuiriachic, Chihuahua, Mexico.
1688. Silver was the legal measure of value in Hamburg, a city of extensive commerce, from 1688 until recent times, but gold was also coined at a ratio of $14\frac{7}{8}$ to 1.
1695. The rich placers of Minas Geraes, Brazil, began to produce largely.
1702. Establishment of the school of mines at Freiberg, Saxony.
1704. Discovery of the silver mines at Santa Eulalia, Chihuahua, Mexico.
Discovery of silver at Nertschinsk, Siberia, and the first regular mining of precious metals in that country was begun.
1710. The metallurgical works at Freiberg, Saxony, was begun.
1717. From 1717 to 1816, the legal ratio between gold and silver in England was $15\frac{1}{2}$ to 1.
1737. Discovery of gold near Voitsk, Government of Archangel, Russia.
1745. Important discovery of gold-bearing quartz on the Beriozofsk River, near Ekaterinburg, in the Ural,

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Russia. Gold-mining was also commenced on Snake Mountain, in the Altai Range, Siberia.

1762. Discovery of the great silver bonanza of Real del Monte, Mexico.

1771. Discovery of the rich silver mines of Hualgayo, Peru.

1774. The first placers in the Ural were discovered this year, quartz lodes having been opened nearly thirty years previous.

1778. The silver mines of Catorce, Mexico, were opened and proved to be rich.

1783. Zambrano discovered the famous silver mines of Guarisamey, Durango, Mexico.

1786. Prior to the Constitution of 1789, the Congress of the American States had, in 1786, established a double monetary standard with a ratio of 15¼ to 1, the dollar having been established as the monetary unit in 1785.

1790. Barrel amalgamation was introduced at the metallurgical works at Freiberg, Saxony.

1792. The famous bonanza at Sombrerete, Zacatecas, Mexico, was discovered this year, the mines at that place having been worked for more than two centuries.

The legal ratio between gold and silver in the United States was made 15 to 1, by the act of Congress creating a mint.

1793. Mules and horses were used in Mexico, for the first time, for mixing the pulp, mercury, and chemicals in the patio process, saving 75 per cent in the cost of this branch of working; prior to this time, the operation had been performed entirely by human labor.

1798. Discovery of the great bonanza (silver) at Ramos, Mexico.

1803. France adopted the double monetary standard at a ratio of 15½ to 1; previous to the Revolution, the ratio between gold and silver in that country had been 15 to 1.

1805. The gold mines of the Ancosta district, Bolivia, commenced to yield.

1810. Discovery of silver at El Refugio, Chihuahua, Mexico.

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1816. Discovery of the Melkowa placers, Siberia.
England adopted the gold standard by act of Parliament of this year.
Silver was the sole standard in Holland until this year, when the double standard was adopted at a ratio of 15.873 to 1.
1821. Resumption of specie payments in gold by the Bank of England.
1824. Discovery of silver at Palmarejo, Chihuahua, Mexico.
The silver mines of Fresnillo, Zacatecas, Mexico, were opened.
1829. Discovery of gold mines in Georgia; first mining excitement in the United States.
1830. Discovery of the placers of the Altai Mountains, Siberia.
Discovery of the silver mines of Guadalcanal, Spain.
1832. The silver mines of Chanarcillo, near Copiapo, Chile, were opened.
1834. The legal ratio betwen gold and silver in the United States was made 16 to 1.
1837. The St. John del Rey Mining Company, operating the Morro Velho gold mine in Brazil, commenced to produce largely.
1839. Count Strzelecki is said to have found gold in New South Wales in 1839, but in deference to the wishes of the Governor, Sir G. Phipps, the discovery was kept secret, the colony being then a penal one. In 1841, Rev. W. Clark also found gold, and in 1847 he called the attention of the colonists to the auriferous character of the country. The value of the diggings was not realized, however, until Hargreaves made his discovery in 1851.
1843. The Augustin process of working silver ores was introduced at the Gottesbelohnung Hutte, near Mansfeld, Germany, and later in the year at the Freiberg works.
Discovery of the silver mines of Hien de la Encina, in Guadalajara, Spain.
1847. Holland again adopted the silver standard.
1848. On January 19, Marshall discovered gold at Coloma, Cal. This find started the rush of gold-seekers

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to the Pacific Coast, and by the end of the year numerous discoveries of the precious metal had been made in various portions of the State, notably along the American and Feather rivers.

The Ziervogel process for treating silver ores was introduced at Freiberg, superseding the Augustin process.

1849. Discovery of gold in the bed of the Yuruari River, Venezuela, but the region did not become the scene of great operations until several years later.

Discovery of gold in Gold Canon, Nevada; an important event, as it eventually led to the discovery of the Comstock lode.

1850. Belgium adopted the single silver monetary standard.

Quartz mining was begun in California.

1851. Discovery of gold in New South Wales by Hargreaves.

Discovery of gold at Ballarat and Bendigo, in Victoria, following close upon the discoveries in New South Wales.

Work was begun at the quicksilver mines of New Almaden, California.

1852. Discovery of gold in South Australia and Tasmania.

Invention of the process of hydraulic mining in California by Edward E. Mattison, a native of Connecticut.

1857. Discovery of gold in New Zealand.

Suspension of specie payments by Russia.

The German States, including Austria, adopted a single silver standard.

1858. Discovery of gold at Canoona, Queensland.

The Patera process was introduced at Joachimsthal, Bohemia; the use of sodium hyposulphite as a lixiviant for silver ores having been first suggested by Dr. Percy in 1848.

1859. The Comstock lode, Nevada, was discovered early in the year by O'Reilly and McLaughlin, at the point where the Ophir mine is located. The Grosh brothers found silver in this vicinity several years previous, but their discovery came to naught.

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Discovery of gold in the Fraser River region, British Columbia.

Pike's Peak excitement; discovery of gold placers in Gilpin County, Colorado, in California Gulch, and at Breckenridge.

1860. Invention of the Washoe process of pan amalgamation by Almarin B. Paul and James Smith.

Discovery of the Gould & Curry and Savage bonanzas in the Comstock lode.

Discovery of the placers of the Boise Basin in Idaho.

After seventeen centuries of neglect the silver-lead mines of Laurium, in Greece, were reopened, a French company having obtained a concession of the property.

1861. Belgium returned to the double monetary standard.

Discovery of gold in Nova Scotia.

Discovery of rich placers in Oregon.

1862. Suspension of specie payments by the United States.

First important discoveries of gold in Montana.

Discovery of silver in the Reese River district, Nevada.

1863. First discoveries of argentiferous lead ores in Little Cottonwood Canon, Utah.

1864. First locations at Eureka, Nevada, but no important discoveries (silver-lead) were made until the fall of 1869. Claims were also located at Pioche, in the same State, though operations at that place did not become successful until several years later.

Discovery of rich placers in Last Chance Gulch, Montana; placers were also located at Butte.

Discovery of the Yellow Jacket-Kentuck-Crown Point and Belcher bonanzas in the Comstock lode.

1865. Establishment of the Latin Union, consisting of France, Italy, Switzerland, and Belgium, providing for a double monetary standard at a ratio of 15½ to 1, the agreement to hold good until 1880.

Discovery of the silver lodes at Phillipsburg, Deer Lodge County, Montana, but it was not until 1881 that the great Granite Mountain mine began to develop into a bonanza.

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Discovery of the Chollar-Potosi bonanza in the Comstock lode.

1866. Italy suspended specie payments.

Discovery of the Overman-Segregated Belcher-Caledonia and Hale & Norcross bonanzas in the Comstock lode.

Discovery of the famous El Callao mine, Yuruari district, Venezuela.

1867. First international monetary conference convened in Paris by the French Government, at which twenty nations, comprising all the important countries of Europe and America were represented.

Discovery of rich deposits of silver ore at White Pine, Nev.; these were the first large bodies of silver ore found in a limestone formation in the United States, and the information gained from them led directly to the discovery of the silver-lead deposits of Eureka soon afterwards.

The smelting works of the Boston & Colorado Smelting Company were established at Black Hawk, Colorado; this was an important step for the development of the mines of Gilpin County and other districts in Colorado.

Discovery of the Thames gold-field on the north island of New Zealand.

1868. Greece joined the Latin Union.

Discovery of gold in Western Australia, but it was not until 1887 that any diggings of importance were found.

The Emma silver mine, Little Cottonwood, Utah, was located in August of this year, but no large shipments were made until July, 1870.

Discovery of the Sierra Nevada bonanza in the Comstock lode.

1869. Discovery of the important silver-lead deposits of Eureka, Nevada. The American practice of lead smelting has been developed chiefly from the methods adopted in this district.

The Pacific Railway was completed, and prospecting along its line was greatly stimulated.

The Sutro tunnel to open the Comstock lode was commenced Oct. 19.

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Discovery of promising deposits of silver ore at Pioche, Nev.

Copper silver ore was discovered at Butte, Montana, and a smelting furnace erected at the Parrott mine.

1870. Great silver deposits were discovered at Caracoles, about 120 miles inland in the desert province of Atacama, Chile, on the Bolivian frontier.

The silver mines of Eureka and Pioche, Nevada, became large producers.

1871. The German Empire, by Act of Dec. 4, assumed the sovereign right of coinage and adopted the gold standard; the mintage of silver was discontinued.

Discovery of the great Crown Point-Belcher bonanza in the Comstock lode.

The mines of Big and Little Cottonwood, Utah, made large shipments.

1872. Discovery of silver at Georgetown, New Mexico.

The Ontario vein (silver), Park City, Utah, was located June 19.

1873. The United States, by Act of Congress, Feb. 12, discontinued the coinage of silver dollars. This Act did not demonetize silver in words, although it did so in effect. The silver dollar is not named in it. Precisely what the Act did was to authorize the coinage of silver half-dollars, quarter-dollars, and dimes below standard weight, and of a new silver coin for Asiatic commerce, of standard weight, to be called the "trade dollar," and to prohibit these coins from being legal tender for more than five dollars in any one payment.

Discovery of the "Big Bonanza" in the Consolidated California & Virginia mines on the Comstock lode.

The German Government, by Act of July 9, provided for the retirement of its silver coins and the sale of the bullion.

By a Treasury order, Sept. 6, France limited the amount of silver to be accepted by its mint.

1874. A year of great excitement on the Comstock, the "Big Bonanza" beginning to yield largely, while another bonanza was discovered in the Ophir mine.

Silver was demonetized by the Scandinavian States.

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Discovery of promising silver mines, including the Silver King, in the Pinal Range, Arizona.

Early in the year argentiferous lead-carbonate ore was found on Iron Hill, Leadville, and the Lime and Rock claims were located.

By an agreement made in January of this year, the Latin Union was to limit the coinage of silver, exclusive of subsidiary coins, to the following sums for three years: 1874, 140,000,000 francs; 1875, 150,000,000 francs; 1876, 108,000,000 francs. Any nation in the Union had the right to decline coining its quota of this amount any year.

1875. Holland, by Act of June 6, suspended mintage of silver for private account, and established gold coinage with unlimited legal-tender functions, with a ratio of 15.604 to 1; this was a provisional law, to last only until Jan. 1, 1877.

Switzerland declined to coin its quota of silver assigned by the agreement of the Latin Union.

1876. First shipments of silver-lead ore from Leadville, Colo.

Discovery of silver-lead ore at Frisco, Utah, and the Horn Silver mine was opened this year.

In July was brought the first suit of the farmers in California against hydraulic miners, and from this time the debris question became a burning subject of discussion.

The gold fields of Black Hills, Dakota, began to attract much attention.

Discovery of the Drumlummon ledge (gold) at Marysville, Mont.

Belgium suspended the coinage of silver.

France discontinued the mintage of silver, except for subsidiary coins, until January, 1878, by Proclamation of the President, in accordance with the Act of August 5, 1876.

A royal decree was issued in Spain interdicting the coinage of silver except on Government account, and declaring it to be the intention of the Government to limit the legal-tender function of silver to 150 pesetas (about $30) after it had obtained a sufficient amount of gold to make this step practicable.

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Russia suspended the coinage of silver for individuals, excepting the amount of silver money needed for trade with China.

By Act of Congress of the United States, August 15, a silver commission was created which reported on March 2, 1877.

1877. Discovery of rich silver veins at Silver Cliff, Colorado, including the Bassick and Bull-Domingo mines.

The curious argentiferous sandstone deposits of Silver Reef, Washington County, Utah, had been known since 1871, and a mining district was organized there in 1874, but the mines did not commence to produce until 1876.

1878. On Feb. 28, the Congress of the United States passed an Act ordaining the coinage ($2,000,000 per month at least, $4,000,000 at most) on Government account of silver dollars of 412½ grains, 900 fine, and and made them full legal tender except where expressly stipulated otherwise by contract.

An international monetary conference was held in August at Paris.

Great excitement at Leadville, Colo., where many new discoveries were made.

The first locations at Tombstone, Ariz., were filed and the next year the mines (silver) there commenced to produce largely.

Discovery of the silver-lead deposits of Sierra Mojada, Coahuila, Mexico.

1879. The German Government discontinued it sales of silver on May 16.

Resumption of specie payments by the United States.

Discovery of promising veins of silver ore at Aspen, Colo., and in the San Juan region in the southwestern part of the same State.

1880. Reported existence of promising gold veins in the Colar fields of Mysore, Southern India, which were subsequently opened and became large producers.

1881. Discovery of silver ore at Lake Valley, New Mexico.

First important discoveries of silver ore in the Calico district, California.

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1882. Decision of the courts prohibiting hydraulic mining in the valleys of navigable rivers of California.
1883. The Mount Morgan gold mine, at Rockhampton, Queensland, began to produce.
The Broken Hill mine (silver-lead) in New South Wales, Australia, was discovered in September.
1884. Discovery of gold in de Kaap district of the Transvaal, South Africa.
1885. Discovery of the silver-lead deposits of the Cœur d'Alene region, Idaho.
The first important discoveries in the "banket" formation, Witwatersrand, Transvaal, South Africa, were made during this year, but active operations were not commenced until 1887.
1890. Act of Congress, July 14, repealing the law of 1878 and providing for the purchase of 4,500,000 ounces of silver monthly, against which certificates are issued, redeemable in either gold or silver.
Establishment of the silver-lead smelting industry in Mexico.
1891. The gold fields of Mashonaland, South Africa, began to attract attention.
Large exports of gold from New York and purchases by Russia.
Discovery of silver ore at Creede, Colo., and gold at Cripple Creek, in the same State.
Austro-Hungary adopted the gold monetary standard.
Third international monetary conference held in Brussels on invitation of the United States, adjourning in December without result.
At the close of the year large exports of gold from the United States, causing a very unsettled feeling in financial affairs.
1893. India ceased coining silver.
Financial panic in the U. S., due to the large purchases of silver and the consequent fear that the U. S. would be forced to a silver basis. Act of 1890 repealed.

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